FEBRUARY 4, 1955 20 CENTS

U.S. News & World Report

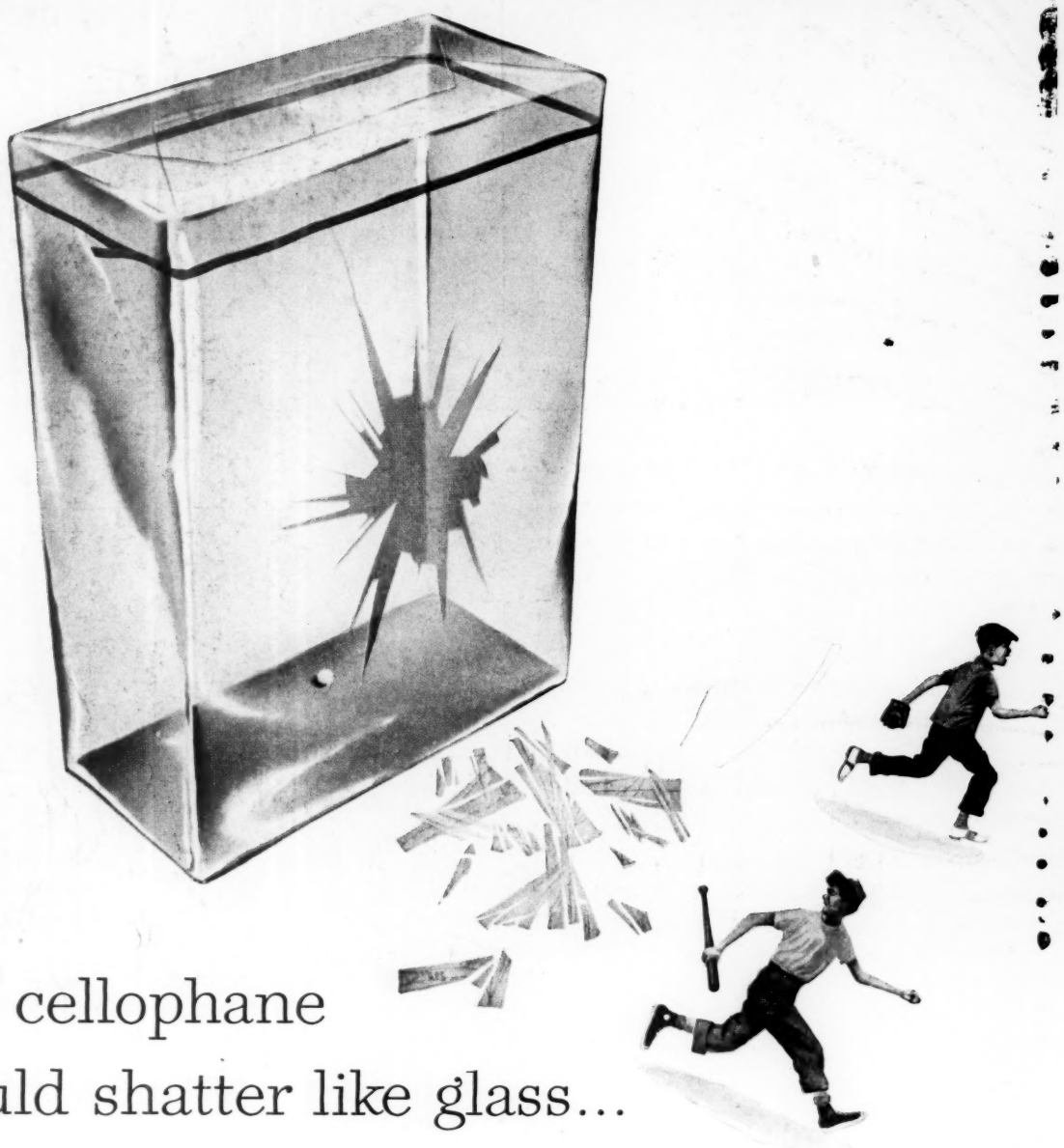
CURE AHEAD FOR THE COMMON COLD?

REVEALED—

BLUNDERS of WORLD WAR II

By Captain W. D. Puleston, USN, Ret., Noted Military Analyst Who Asks—

"MUST U.S. AGAIN TAKE FIRST BLOW?"



cellophane would shatter like glass...

YOU KNOW cellophane as a tough and pliable wrapping. But it would be as brittle as a glass window pane, if it were not for an unseen ingredient—*glycerine.*

Making cellophane a pliable and *useful* protective wrapping is just one job on the work list for glycerine—a list which once threatened to outgrow supply. Then Shell Chemical developed a new and different commercial source for pure glycerine.

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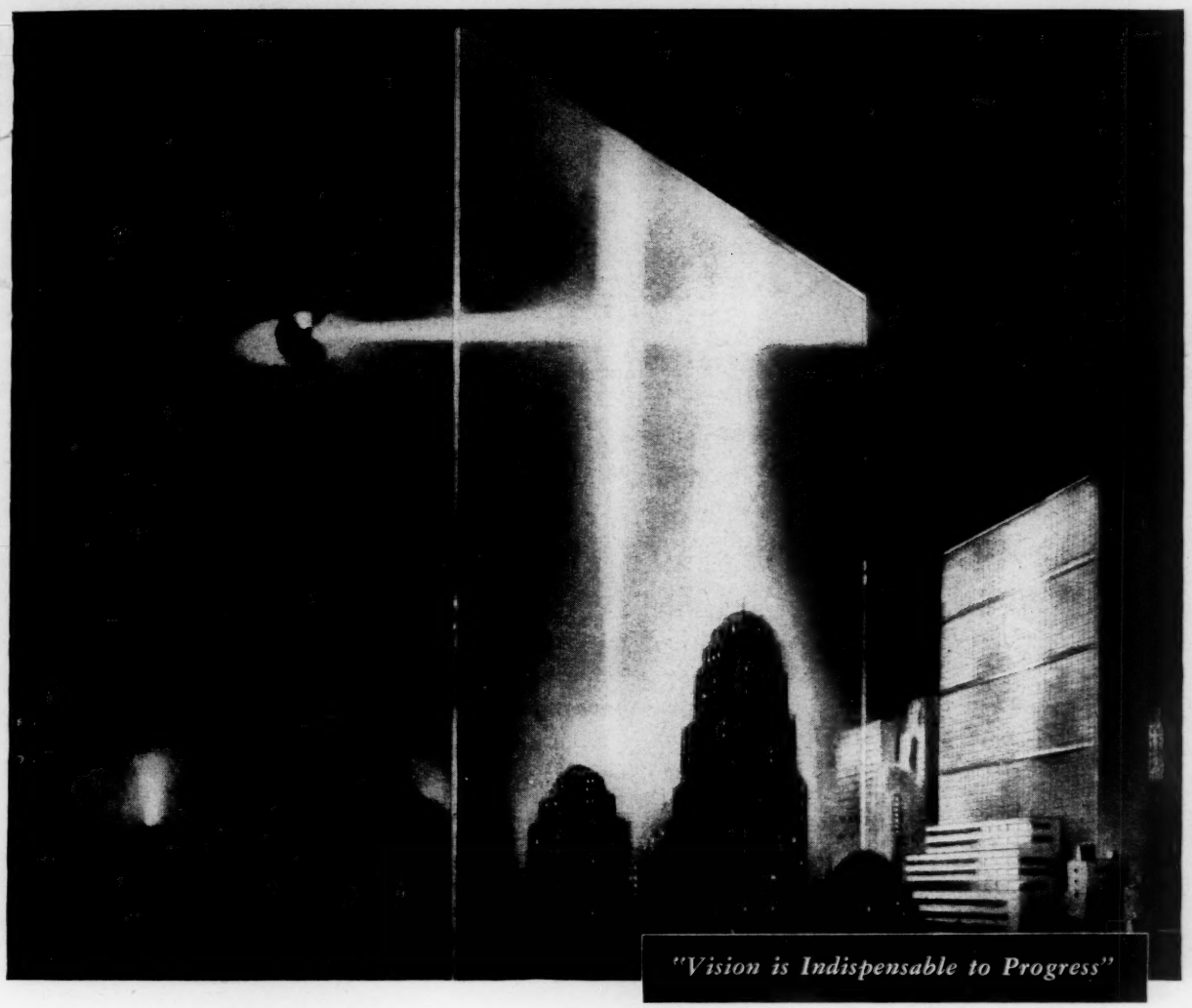
Chemical Partner of Industry and Agriculture

NEW YORK



"Vision is Indispensable to Progress"

Through glass man's magic view of progress

What glass means to modern living is plainly evident in its glint and shine and sparkle all around us . . . glass in building construction, in packaging and tableware, in science and communication, in medicine and industry.

The dazzling vista ranges through tens of thousands of forms – from the incredibly delicate filament of nuclear research equipment to the giant 200-inch mirror of the Mount Palomar telescope. Here is a material so versatile that it may be kneaded like dough, blown into bubbles, drawn into threads, woven into fabric, shaped like clay, rolled and pressed and cut and engraved!

Glass has companioned the whole progress of man, yet only in the past 100 years and particularly since 1900, have we begun to appreciate and exploit its almost limitless possibilities. Today this magic material of utility, beauty, safety and efficiency is on the threshold of its greatest era of development.

Glimpsing the future through glass, we see continuing research, improved methods of craftsmanship and manufacture achieving amazing flexibility, sensitivity and strength. By steadily widening the frontiers of service for its products, the glass industry presents a crystal-clear example of how our system of free economy leads American enterprise to higher and higher attainment on the road of progress.

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THE UNITED STATES NEWS

WORLD REPORT

U. S. WEEKLY
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NEW!

ARMCO ALUMINUM-COATED STEEL

for outdoor service

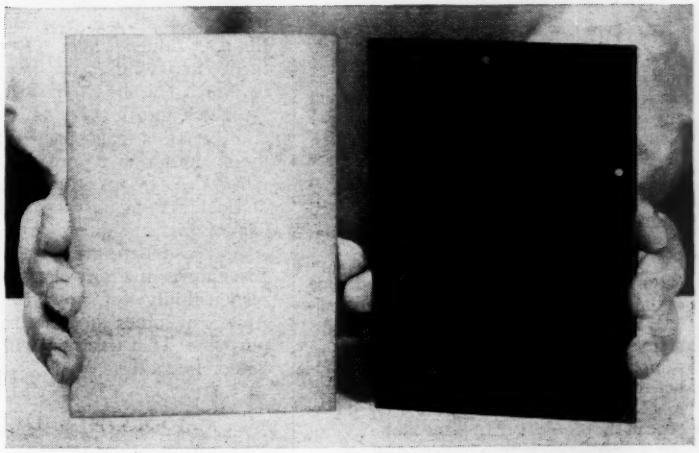
Combines Corrosion-Resisting Properties of Aluminum with Strength of Steel

A new hot-dip aluminum-coated sheet steel—known as Armco ALUMINIZED STEEL® (Type 2)—is now in production after 15 years of corrosion testing. It combines the surface advantages of aluminum with the strength of steel.

While zinc coatings have done a good job of protecting steel against rust, tests indicate this new aluminum-coated steel is greatly superior. The 15-year tests in an industrial area show the atmospheric corrosion resistance of this aluminum coating is at least 3 times that of a standard coating on galvanized steel sheets.

During the past year and a half of field development work, ALUMINIZED STEEL (Type 2) has been used in prefabricated industrial, commercial and farm buildings, industrial rolling doors, covers for silos and water storage tanks, roof deck, and other applications under general atmospheric conditions.

The new sheet is a companion grade to Armco ALUMINIZED STEEL (Type 1) exclusively produced by Armco since 1939 for high temperature service.



In atmosphere sufficiently corrosive to cause a standard galvanized coating (right) to fail completely in 12 years, Armco ALUMINIZED STEEL (Type 2), left, looked like this *after 15 years*. Cleaned samples show the aluminum coating is still giving full protection to the base metal.

QUESTIONS YOU MAY WANT ANSWERED

DOES IT "WEATHER" LIKE ALUMINUM?

Yes. The surface of samples of Armco ALUMINIZED STEEL (Type 2) and aluminum, exposed to the atmosphere for five years, cannot be told apart.

WHAT IS ITS STRENGTH?

Because it has a steel base it has the strength and rigidity of steel . . . thus avoiding problems common to weaker materials.

DOES IT REFLECT HEAT?

Yes, ALUMINIZED STEEL (Type 2) offers the same high reflectivity of radiant heat as aluminum—whether from the sun or from low temperature heat sources.

DOES IT RESIST FIRE DAMAGE?

Armco ALUMINIZED STEEL has excellent resistance to fire damage. At 800 F, for example, it has more than ten times the strength of aluminum. Steel has a melting point of 2850 F; aluminum melts at about 1200 F.

WHAT ABOUT FABRICATION?

Armco ALUMINIZED STEEL (Type 2) withstands severe forming without peeling or flaking of the coating. It also can be embossed and spun, but is not recommended for drawing operations.

HOW DOES IT COMPARE IN COST?

Even when considering equal thicknesses, ALUMINIZED STEEL (Type 2) generally costs less per square foot than aluminum. Additional cost savings are possible because the greater strength of the steel base permits use of lighter gages. For example, a fabricator using .050 aluminum could save 40 to 50 per cent of material costs by utilizing the proper gage of ALUMINIZED STEEL.

While the initial cost is somewhat higher than galvanized steel, it is less than the cost of galvanized plus one field coat of paint. Because of its superior atmospheric corrosion resistance, the new aluminum-coated steel needs no paint protection.

If you would like complete information on sizes, gages and prices of Armco ALUMINIZED STEEL (Type 2), just fill in and mail the coupon.

ARMCO STEEL CORPORATION

975 Curtis Street, Middletown, Ohio

Sheffield Steel Division • Armco Drainage & Metal Products, Inc. • The Armco International Corporation

ARMCO

ARMCO STEEL CORPORATION, 975 Curtis Street, Middletown, Ohio
What are sizes, gages and prices of Armco ALUMINIZED STEEL (Type 2)?

We manufacture _____

Name _____

Title _____ Company _____

Street _____

City _____ Zone _____ State _____

(Advertisement)

plant-location news

Market data can make the difference . . .

Only the most detailed, up-to-the-minute information can show if a new plant site is near your *best* potential markets . . . whether these market areas will change in size or character . . . or if new markets for your products can be developed in a particular locality.

But how can you be sure that your market data is current and complete? That it will answer most plant-location problems? If you're planning to establish a new plant in relation to your market, here's one way you can get the facts needed to make the right decision on location. Just contact New York State's Industrial Location Service.

Facts are our forte . . .

ILS market data covers a lot of ground. One of the big reasons for this is that we're associated with the state government. This gives us access to facts and figures on incomes, consumption, and population shifts that individual researchers might find hard to get. And market data like that can make a big difference in choosing the right plant site!

Detail is our dish, too . . .

Another thing that makes our service unique is the *extent* of our records. Over the years we've been able to chart trends in expenditures, retail inventories, and family composition, among other things—for every area in the state. A lot of companies have found these figures mighty helpful in spotting just the markets they want to hit.

Doesn't matter whether yours is an industrial or consumer product, either. In most instances figures can be provided representing present industrial consumption of specific products within a given radius of suggested New York State locations. Or giving the size and number of companies to which you'll be selling. All this information is free and strictly confidential.

Other free plant-site services

Markets won't be your only concern when you're looking for a new plant location. But no matter what factors are involved, ILS can be of help.

Reports are available on transportation, buildings and sites, raw materials, labor, water and local laws and regulations—to mention just a few. These surveys are tailored to meet your requirements, and sent to you without cost or obligation in strictest confidence.

Our booklet called "Industrial Location Services" shows how you can put this valuable plant-location data to work. To get your free copy, write me at the New York State Department of Commerce, Room 724, 112 State Street, Albany 7, N. Y.

Ronald B. Peterson

Director, Industrial Location Service

The March of the News

FORMOSA: FORCE?

THREE HOURS of debate, a quick vote, and the resolution authorizing the President to use force, if necessary, to defend Formosa was passed by the House of Representatives, 409 to 3. Two Republicans and one Democrat were opposed: Timothy P. Sheehan (Rep.), of Illinois; Eugene Siler (Rep.), of Kentucky, and Graham A. Barden (Dem.), of North Carolina.

The Senate moved more slowly. Several Senators contended the resolution might authorize a preventive war, or involve U. S. troops in support of Chinese Nationalists in an attack against the Communist mainland.

As the debate grew heated, President Eisenhower made it clear he would take responsibility for any decision to use American forces for other than defensive purposes. That decision will not be delegated, he said.

PASSPORTS DENIED

THE STATE DEPARTMENT has ruled out, for the time being at least, visits by relatives to Americans imprisoned in Red China. Announced reason: increasing Communist belligerency. Families of at least four prisoners had applied for passports.

STORM WARNING

A BLEAK OUTLOOK for East Coast residents was forecast at a meeting of weathermen in New York City. The whole Atlantic seaboard, they said, may be turning into a hurricane area.

Members of the American Meteorological Society were told that the mild, pleasant Eastern winters of the last few years may be caused by the same climatic conditions that produce the violent tropical storms.

Robert H. Simpson, who sometimes flies into the eyes of hurricanes to find out what goes on there, has this much cold comfort to offer: It may be possible, within five years, to forecast accurately what sections close to the path of a hurricane will not be hit. But it will still be impossible, he says, to predict just which sections within a storm's path will be hit.

HIGHER DIVIDENDS

THE BIGGEST AMERICAN steel company looked at its books and decided to raise dividends to common stockholders by a third. Benjamin F. Fairless, board chairman of the United States Steel Corporation, also announced a move to split the common stock, two for one. The split, he said, should result in "a wider distribution of the stock, and make it more readily available for investment . . ."

4 CENTS FOR A LETTER?

LONG A DREAM of the Post Office, the proposal for 4-cent postage for letters was being considered again. Postmaster General Arthur E. Summerfield asked Congress to scrap the 3-cent rate in effect since 1932 and to raise the rates on second and third-class mail as well.

PRESIDENT'S AIDES

A TRUSTED POLITICAL adviser to the President would move into the White House proper, it was announced. Fred A. Seaton, Assistant Secretary of Defense for public relations and congressional liaison, would take over as administrative assistant to the President on February 19. Mr. Seaton, a former Senator from Nebraska, and a top campaign adviser to Mr. Eisenhower in 1952, will help with liaison between the White House and Capitol Hill.

Other White House shifts: Gerald D. Morgan, now an administrative assistant, becomes White House counsel. The present counsel, Bernard M. Shanley, takes over as appointments secretary. And Thomas E. Stephens will resign from the latter position to devote himself to private law practice.

LETTER TO IKE

REPRESENTATIVE Kenneth B. Keating (Rep.), of New York, wrote a letter to the President:

"The enclosed analysis of our defense problems, published in today's *U. S. News & World Report*, presents fresh ideas which I believe are deserving of thoughtful consideration by the United States Government.

"I respectfully urge that you refer this thought-provoking article to the National Security Council to be reviewed in collaboration with the appropriate committees of the Congress . . ."

The article that interested Mr. Keating began on page 78 of the January 28 issue. Written by Col. Richard S. Leghorn, U. S. Air Force Reserve, it proposed a new strategy for nuclear warfare.

From the President came a reply, thanking Mr. Keating for his letter and a copy of the magazine, which Mr. Eisenhower said he would refer to the NSC.

Oregon Grange Wholesale reports:

Farm Equipment Sales of $1180 from $4.60 in Long Distance calls

Four Long Distance calls sold $1180 worth of farm equipment for the Oregon Grange Wholesale, Portland. It also gave parts customers prompter service. All for a total of $4.60.

These were the first calls made under a plan of following up parts orders received in the mail. Often filling of such orders had been delayed by insufficient information, which took days to obtain.

Now a call is placed to each customer. He is thanked for his order and advised when shipment will be made. Additional information is obtained quickly. And the salesman has an opportunity to sell companion items and additional merchandise when the customer is in a buying mood.

You can put a similar plan into effect today. The only equipment required is the telephone on your desk. You, too, will find that Long Distance doesn't cost—it pays.

BELL TELEPHONE SYSTEM

LONG DISTANCE RATES ARE LOW

Here are some examples:

Providence to New Haven...55¢
Cleveland to Pittsburgh.....60¢
Cincinnati to Evansville.....75¢
Des Moines to Minneapolis...85¢
Portland, Ore. to Salt Lake City $1.10

These are the *daytime* Station-to-Station rates for the first three minutes. They do not include the federal excise tax.

Call by Number. It's Twice as Fast.

Washington Whispers®

[Items appearing on this page are reported in Washington and other news centers]

War in Formosa Means War in Korea . . . Chou to Fight Mao? . . . Gen. Ridgway Definitely to Leave

President Eisenhower himself, not John Foster Dulles, Secretary of State, or the Joint Chiefs of Staff, made the decision that the time had come when it was necessary to put the Chinese Communists on notice against further expansion.

★ ★ ★

Mr. Eisenhower intended to reassure the Chinese Communists, not to provoke them, with his plan to evacuate the Tachen islands. This move assured the Communists that Chiang Kai-shek would be bottled up on Formosa and adjacent islands and could not invade China proper. The Tachens control the approaches to the invadable portions of China's central mainland.

★ ★ ★

Adm. Arthur Radford, Chairman of the U. S. Joint Chiefs of Staff, offers the combined naval and air gesture off China's coast as the prescription—short of massive retaliation—for dealing with threatened small wars. For these smaller wars there are tactical weapons, including tactical A-bombs. For threatened big wars, the Strategic Air Command and its intercontinental bombers are armed with thermonuclear weapons.

★ ★ ★

General Douglas MacArthur was not let in on latest planning of U. S. strategy in the Far East, where so much of his life as a military man was spent.

★ ★ ★

It was barely five years ago, on Dec. 23, 1949, that the U. S. Department of State in a secret memorandum gave orders to prepare public opinion for the loss of Formosa. The "special guidance" paper at that time told officials to counter any impression that loss of the island of Formosa would be detrimental to the interests of the U. S.

Sir Anthony Eden, Britain's Foreign Secretary, is showing support for U. S. policy on Formosa because the British now are concerned about their own Asiatic interests in Malaya and Hong Kong.

★ ★ ★

Chou En-lai, Premier of Communist China, is aware that war around Formosa would almost immediately rekindle the war in Korea, where Communists are violating the armistice. A two-front war—with no restrictions on use of U. S. forces—is the least the Communists could expect.

★ ★ ★

Mao Tse-tung, top man in Communist China, is discovering that ambitious Chou En-lai, Premier, is getting a build-up that may make him a hard man to stop. Chou is known as a ruthless operator who has murdered political opponents with his own hands.

★ ★ ★

It is dawning on Dag Hammarskjold, Secretary General of the United Nations, and on other diplomats, that the American fliers held prisoner by the Chinese Communists are being used simply as pawns in the big game of power politics now being played. The fate of Americans held by the Communists will depend entirely upon whether the Chinese feel that the fliers can be used further for Communist purposes.

★ ★ ★

Gen. Nathan Twining, Staff Chief of the Air Force, really is getting more money for the service that he heads than he had expected. President Eisenhower is going all out for air power as the key to U. S. defense.

★ ★ ★

Gen. Matthew Ridgway, Army Staff Chief, definitely is to retire in August when his present term expires. General Ridgway is not happy about White House decisions that rank the Army third among the three services in making defense plans for the period ahead.

★ ★ ★

President Eisenhower on recent days has told friends that he feels the Republican Party is building too much faith in one man. He feels the party needs to develop broader leadership, less related to any single individual.

★ ★ ★

Communist rulers of Russia continue to deny American newspapermen passes to the Kremlin or to Russia's war ministries. Agents of Communist Russia in U. S., at the same time, continue to carry passes giving them access to the very centers of power in this country.

★ ★ ★

Georgi Malenkov, Russia's Premier, appears more and more to be losing out to Nikita Khrushchev for the No. 1 position in that country. Khrushchev is being pushed out front when policy statements are made.

★ ★ ★

An official from the Soviet Embassy turned up the other day at the Fish and Wildlife Service to report in some bafflement that birds were alighting in Russia carrying legbands asking the finder to notify the Fish and Wildlife Service in U. S. A. The official did not make clear whether he was reporting as requested or whether his Government suspected a new device for infiltration.

★ ★ ★

Not many minutes after the Russian official appeared at the Fish and Wildlife Service, a call came from the Federal Bureau of Investigation asking for a full report on what the Russian talked about and exactly what occurred.

How come one of the world's most important insurance companies is located in Wausau, Wisconsin?

The fishing's good near Wausau. It's only a stone's throw to where the deer run. Once in a while, they say, a lynx comes down from the north.

And it's the home of one of the world's most important insurance companies.

How come?

This was lumber country once. And lumbering was a hazardous business. 43 years ago a group of lumbermen joined together to pay the claims of injured sawmill workers under Wisconsin's new workmen's compensation law. The group came to be called The Employers Mutuals of Wausau.

Wausau is no longer lumber country. But Employers Mutuals has stayed. So have the men who guided the company from the very beginning.

How come?

Because they knew that something good had grown up there. A certain way of doing business that was good. An almost *personal* character. A fairness that bent over backward rather than forward. Policyholders and their employees kept saying that Employers Mutuals were "good people to do business with."

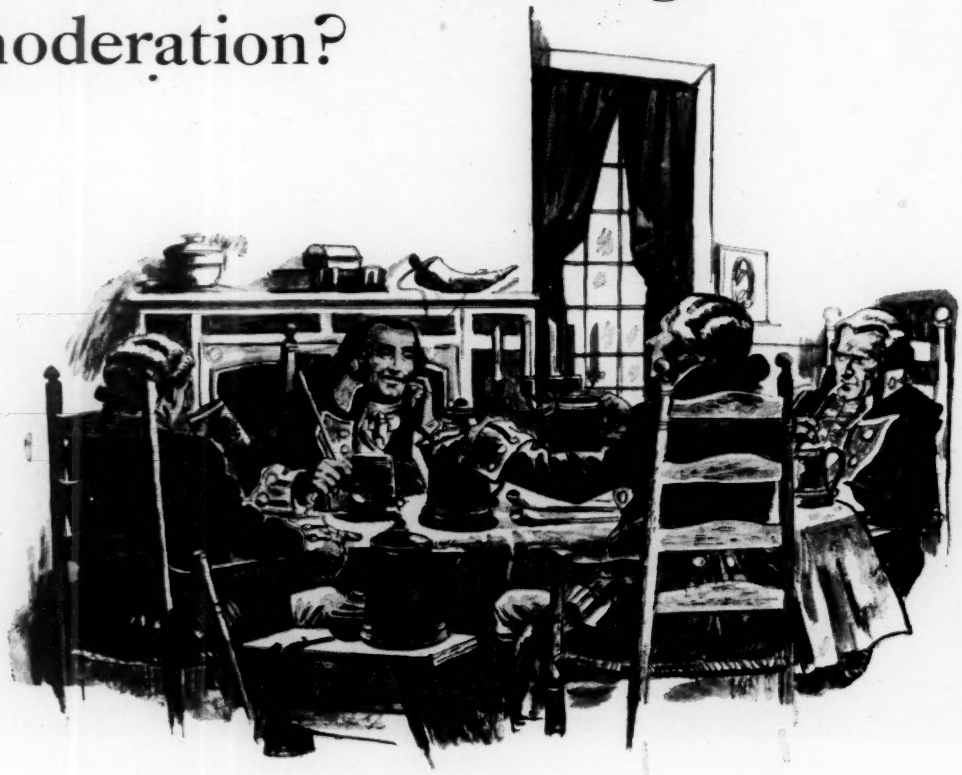
There was a "Wausau personality" about us that people seemed to like and we didn't want to lose. We're a large company today. We write all types of casualty and fire insurance, and are one of the very largest in workmen's compensation. We have two reputations, born and raised in Wausau, that we aim to hold. One is unexcelled service on claims. The other is an accident prevention program that means lower costs to policyholders.

We're still "Wausau." But today there are offices of Employers Mutuals of Wausau in 89 cities. "A little bit of Wausau on the sidewalks of New York." And we're still good people to do business with.

Employers Mutuals *of* Wausau

"Good people to do business with"

Did you know that men like Washington, Jefferson and Madison favored beer as a beverage of moderation?



Today, as in the past, beer is a part of American life. Almost two out of three families in this nation now serve beer in their homes. Beer and ale belong . . . in this friendly, freedom-loving land of ours—as America's beverages of moderation.

Our Founding Fathers were men of tolerance and temperance, and so it was only natural that they had such a high regard for beer and brewing.

George Washington, for example, had his own recipe for making beer. A copy of it in Washington's own handwriting has come down to us in his personal notebook, which may be seen in the New York Public Library.

Samuel Adams, "Father of the Revolution," was a brewer, as his Puritan father had been. Writings prove such men as Jefferson, Madison and Patrick Henry endorsed beer and brewing.

United States Brewers Foundation... Chartered 1862

One of America's Oldest Continuous Non-Profit Trade Associations
Representing over 86% of the Country's Malt-Beverage Production

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Washington, D. C.

Air will be cleared somewhat in Asia by the showdown over Formosa.

Communists will back away from a fight. U.S. standing will rise a bit.

War will not develop. War with U.S., when no holds are barred, is the last thing the Chinese Communists, or the Russians, want.

War in Korea was a fluke. Communists there fought with a promise that U.S. would not try to win, would not strike at their vital supply sources.

Eisenhower, giving a warning now, has made no such promises.

Just bear this in mind before getting too excited:

Communist China lacks the means to hurt U.S. She's mostly wind.

U.S., on the other hand, is able--very quickly--to blow up China's one-shot Air Force, its fleet of oversized rowboats, its limited transport.

Russia isn't going to get herself blown up just for China.

Communist China's tough talk could be funny if it did not frighten so many of the world's people, so many politicians and officials.

Actually, what's happening now may further Communist China's aims.

Communists are getting U.S. assurance that Chiang Kai-shek will be kept bottled up on Formosa, that he will not be allowed to try for a comeback.

Chiang, at the same time, is assured of U.S. protection on Formosa.

Communist Chinese, if guaranteed against Chiang, can shift forces to the south for new adventures in that tempting part of the world.

It's the British, with Malaya and Hong Kong, with big interests in Burma and Thailand, as well as the French trying to hang on in Indo-China, who need to be worried once the Communists get guarantees about Formosa.

Non-Communist Southeast Asia holds the resources that Communist China must have if she's ever to amount to anything more than a troublemaker.

What China possesses is this: a large area of land; an immense number of people, more than the land can feed; few resources; no oil; no industry to speak of; human backs the main transport; an Army supplied in good part with captured equipment; an Air Force supplied with Russian planes; no Navy.

Army and Air Force, with no industry to support them, lack staying power.

But: So long as they are not destroyed, these armed forces--biggest in Asia --can be used to intimidate weaker nations of Southeast Asia. Use of threats, along with infiltration, might pay immense dividends.

Communist China, desperate for resources, isn't interested in the little island of Formosa. She's playing for the really big stakes to the south. She also knows that, if Southeast Asia goes Communist, then Japan will go, too.

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All the byplay around Formosa is just a side show, diversion.

MacArthur tried to point all this out long ago. He got fired.

Korea, as a result, remains divided. Communist Chinese, who could have been destroyed in that war, got a chance to annex North Korea instead.

Indo-China came next and Communists were allowed to win again.

Formosa now is to be immobilized, removed as a threat to Communists.

Communist Chinese, with two wars and a successful diversion safely tucked away, will probably be admitted to the United Nations where victories will be confirmed, where prestige will be added to help in future ventures.

Business almost everywhere is good now. Europe is booming. Britain's boom is so fast that brakes are being applied. Germany is in the midst of unprecedented prosperity. France is showing real improvement.

In U.S., almost all trends are upward at the moment. Output is pointed up. Jobs are plentiful. Incomes are rising. Prosperity seems set.

There are a few danger signs developing in the U.S. situation.

Auto production is running much ahead of probable sales. Autos are building supplies against the threat of a late-spring or early-summer strike.

Steel, up sharply, reflects auto demand. Steel rise, too, reflects some inventory building as insurance against a possible steel strike.

Some slowing in these two basic industries seems sure for summer. A strike may force it. Or, if a strike is avoided, there will be adjustments to bring supply and current demand somewhat closer into balance.

Housing boom, too, probably is bigger than can be sustained.

Business prospect suggests at least a moderate slowing for the summer, then a revived recovery in the autumn as seasonal forces get to work.

Official concern is beginning to be directed at inflation forces.

U.S. Treasury, with a 40-year-bond offering, is warning that it has an eye on the money supply; that it may be thinking of tightening up a bit.

Reserve Board, earlier, with a raise in margin requirements on stocks, warned against too much speculative enthusiasm in the stock market.

Idea is to keep down excesses, to keep recovery forces well in hand.

Deflation, however, definitely is not desired. Stability, with neither inflation nor deflation, is the objective.

Inflation will not be a real threat so long as excess capacity exists in big industries and so long as there is a surplus of workers seeking jobs.

New tax cuts still seem improbable for 1955. Excise cuts, scheduled, are likely to be postponed. Corporation taxes, also scheduled for cut, probably will be kept at present levels for at least another year.

Individuals can expect moderate cuts in tax on 1956 incomes.

Revenue needs are going to remain high for many years. Budget level of 60 billions--the Eisenhower goal--cannot be met from low tax rates.

Letter-mail rate is likely to stay at 3 cents. Airmail is expected to stay at 6 cents an ounce. A road program of increased size will be approved. Aid for school building may not come this year, may come next.

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New Inspection Tool

22-million-volt Betatron sees through steel sections from 2 to 20 inches thick at production-line speeds

With a betatron, one midwestern manufacturer radiographs parts, or a whole machine, to reveal flaws or check alignment of parts. Here are some of the results:

Cuts weight and cost through elimination of over-design. Example: Betatron inspection reduced the "factor of ignorance" by assuring casting quality. Result: A product that uses less material, is easier to manufacture, and easier to install.

Permits safe use of welds because betatron's speed and depth of penetration permits heretofore impossible inspection. Example: A simple two-piece welded part replaced a complicated casting.

Saves machine time—betatrons find flaws in raw material before machining. Example: Savings in machine time that would otherwise have been wasted paid the entire cost of the betatron installation in less than six months.

Converts rejects into usable parts by locating flaws accurately for repair. Example: Hundreds of thousands of dollars' worth of parts saved because betatron inspection permits easy repair of cracks in castings.

You can get complete information on how an Allis-Chalmers 22-million-volt betatron may find cost-cutting application in your plant. Call the nearest Allis-Chalmers office or write Allis-Chalmers, Milwaukee 1, Wisconsin.

ALLIS-CHALMERS

C-8613

Support Junior Achievement Week, Jan. 30-Feb. 5

PEOPLE ★ ★ ★

OF THE WEEK

› ALFRED M. PRIDE, a vice admiral who got his start in the U. S. Navy as an enlisted machinist's mate, is the man in charge of the Seventh Fleet's critical operations off the coast of Communist China. He is regarded as one of the Navy's most experienced and knowledgeable warriors in the kind of island-raiding, sea-air warfare for which he deployed defense forces last week.

As World War II commander of the U.S.S. *Belleau Wood,* a small carrier built on a cruiser's hull, Admiral Pride was in repeated hot actions—among them, Tarawa, Wake, Kwajalein, Truk, Saipan and Guam. En route to attack Guam, the task force including the *Belleau Wood* was discovered and had to fight its way through hostile Japanese units. Admiral Pride won formal commendation for "the excellence of his performance . . ." in that battle. Later he won the Legion of Merit for his direction of air support in the capture of Okinawa.

Aerial war at sea has been Admiral Pride's career specialty. He served on the first U. S. aircraft carrier, the *Langley,* participating in experimental landings on that ship. He had enlisted in the Navy two weeks before the U. S. entered World War I, became a commissioned pilot in September, 1918. He is 57.

› COMMUNIST GENERALS who will direct operations in any attempt to conquer Formosa are a pair of tough, seasoned commanders. At the top is **Su Yu,** new and aggressive Chief of Staff to the aging, ailing Commander in Chief, Chu Teh. Assault operations, if made, will be commanded by **Teng Hua,** one of the few Chinese generals with experience in carrying out water-borne attacks.

Su, a man in his middle 40s, is a normal-school graduate with a mathematical turn of mind. He has long been rated by the Chinese Communists as one of their ablest military men, has risen rapidly from his beginning as a guerrilla commander when he was 25. He was jumped over the heads of several generals senior to him when he was made Chief of Staff last September. Before that advancement, he was a deputy chief of staff in charge of plans and operations on the coast facing Formosa.

Teng now is director of those same operations on the coast formerly commanded directly by Su. Teng, during the war on the mainland, ran two water operations that developed his experience. One was the 1949 forcing of a crossing over the Yangtze River. The following year he led troops across the 15-mile-wide Hainan Strait, conquered Hainan. After two months in Korea last autumn, Teng was recalled by Su, given the assignment of stepping up operations against Chiang Kai-shek's island redoubts.

Admiral Pride (right) with Generalissimo Chiang Kai-shek

General Collins (left) with Walter Robertson, Assistant Secretary of State

—United Press Photos

Prince Juan Carlos de Bourbon with the Duke de La Torre

› GEN. J. LAWTON COLLINS, after little more than two months in Indo-China, is back in Washington briefly to tell the Administration and leaders of Congress his plans to hold South Vietnam against Communism. Key to his ideas is rapid U. S. training of a strong native Army, to be led by native officers, not the Frenchmen who have long commanded Indo-Chinese forces.

Raw material for an Army of 250,000 is at hand. The forces envisioned would include about 100,000 regulars backed by a reserve force of 150,000.

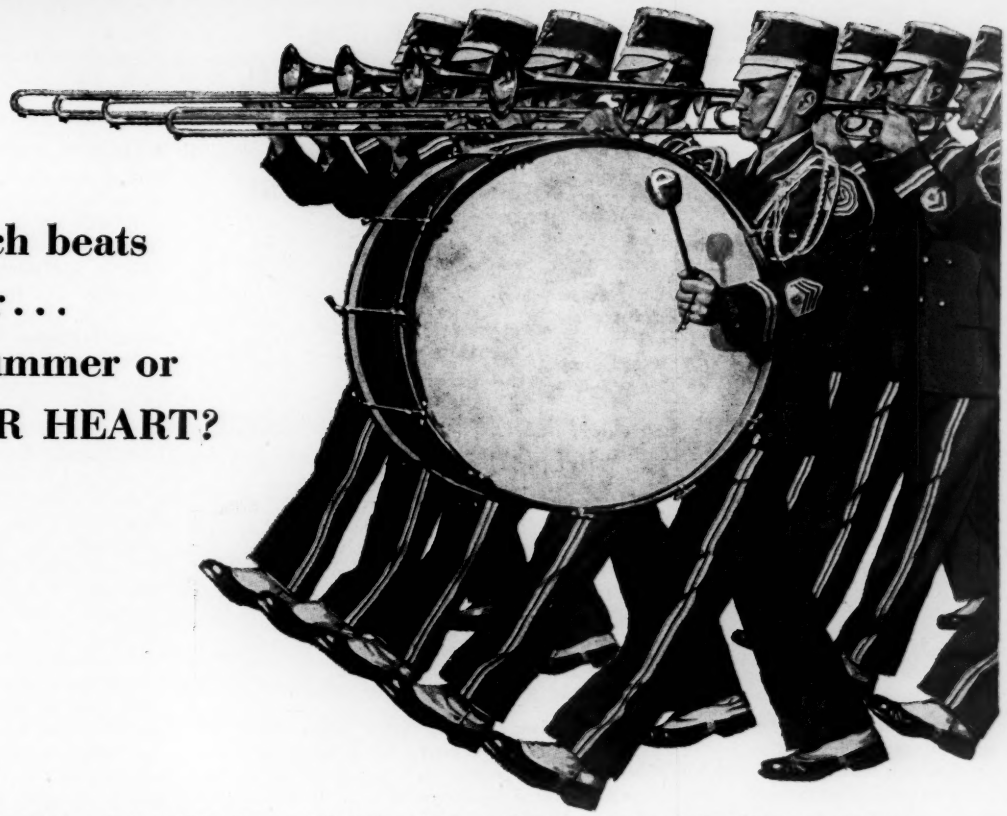
Since November, when the former U. S. Army Chief of Staff arrived on a diplomatic mission with the rank of special ambassador, he is reported to have achieved things that once seemed highly unlikely. Apparently, the same persuasive manner that he once applied to official Washington as head of Army liaison with Congress has been applied in Saigon. Quarrels among Vietnamese factions have been calmed down. French-American jealousies seem to have subsided. Both the French and the Vietnamese have agreed that the U. S. should take over training of the native troops.

The idea behind it all is that, in Indo-China, as in Korea, the local troops, when trained, can defend themselves and so remove a burden from U. S. shoulders.

› A TEEN-AGE PRINCE of Spain got a clear preview last week of the kind of king he is expected to be if he succeeds Generalissimo Francisco Franco as ruler of the country. What is in store for **Juan Carlos** was publicly stated by the dictator in the Falange Party's official paper: The future monarch must be an absolute, iron-handed king, not like other modern sovereigns who are little but figureheads in parliamentary governments.

Juan Carlos clearly is Franco's choice for the throne—if he measures up to this exacting standard. After long negotiations, Franco has brought the 17-year-old grandson of King Alfonso XIII back to Spain to train him for the rigorous life of a dictator-monarch. A supervising regent, Lieut. Gen. Carlos Martínez

(Continued on page 14)



Which beats faster . . . a drummer or YOUR HEART?

When a march . . . such as "The Stars and Stripes Forever" . . . is played in standard marching time, the bass drummer beats his drum around 70 times a minute.

Your heart, however, beats even faster . . . about 72 times a minute or more than 4,000 times an hour. Moreover, your heart, unlike the drummer, never gets a chance to rest, save for a fraction of a second between beats. On and on it beats to pump about 240 gallons of blood throughout the body every hour, year in and year out.

Multiply the heart's hourly output of work by the days, months and years that it functions during an average lifetime, and you will realize how wonderfully sturdy and efficient the healthy heart is.

The heart also has remarkable reserves of strength and recuperative powers. Even after it has been seriously impaired, the heart is often capable of continuing its work for years . . . *if care is taken not to overburden it.*

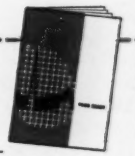
Yet, despite the strength of the heart, diseases of this organ lead all other causes of death. There are many reasons why fatalities from heart disease have mounted. For example, more and more people are living to older ages when hearts naturally lose their ability to carry on.

If you would keep your heart working efficiently throughout life, never wait for symptoms to jolt you into giving it the consideration it deserves. Indeed, if you are approaching middle age, *now* is the time to help your heart by following such safeguards as these:

1. **Have regular, thorough health examinations.** These are important not only for detecting heart trouble early, but also for detecting other diseases that could affect the heart.
2. **Slow down after 40.** Make a determined effort to eliminate hurry, bustle and over-exertion from your daily life. If you want to continue sports, don't overdo them.
3. **Don't overeat.** Mortality from heart disease occurs one and one half times more often among overweight people than among those of normal weight. This is reason enough for keeping your weight down.
4. **Get the rest you need.** Plenty of sleep and relaxation contribute much to both your physical and mental health. When you relax, so does your heart.

Should heart disease occur, it should not necessarily mean the end of useful, rewarding activity. In fact, even a damaged heart may outlast a much stauncher heart that is abused, providing a person really takes care of his or her heart and protects it against undue strain.

To help advance knowledge of diseases of the heart and arteries, the Life Insurance Medical Research Fund was established in 1945. Since then, the Life Insurance companies supporting the Fund have contributed more than five and a half million dollars to carry forward the work of 205 research projects and 241 investigators. As a result of the Fund's program, a wealth of information of the greatest promise has been amassed.



Please send me the free booklet, 255-K, "Your Heart."

Name_____

Street_____

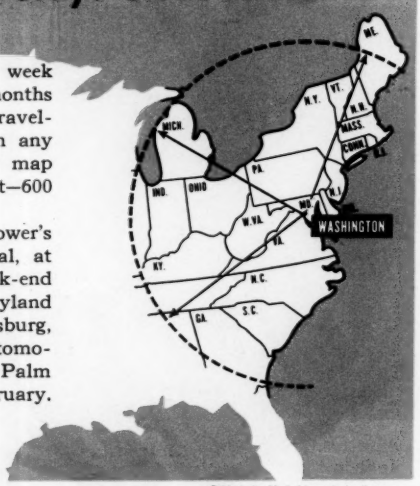
City_____ State_____

CONTINUED

As Crisis Grows, Ike Stays Close to Home

➤ **THE PRESIDENT** decided last week that for the next two or three months he will stay within two hours' traveling time of the White House on any vacation trips. The arc on the map shows how far away he can get—600 miles by air.

Inside the line is Mr. Eisenhower's favorite golf course, the National, at Augusta, Ga. Two favored week-end spots, Camp David in the Maryland hills and his farm near Gettysburg, Pa., are within two hours by automobile. Out: a golfing vacation at Palm Springs, Calif., planned for February.



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Campos, Duke de La Torre, is to guide the youngster's instruction by officers of the Spanish Army, Navy and Air Force.

Under the succession law of several years ago—in which Franco made legal arrangements so he could name a king as successor—Juan will have to wait until he is 30 before he can ascend to the throne. A regent will control Spain in the intervening time, if any. The Generalissimo's idea is to prepare a successor who will continue his kind of regime.

➤ **JOHN SHERMAN COOPER,** if the Senate approves his nomination, is to be the new Ambassador to India. He is a former Senator himself—a Kentuckian who twice won election as a Republican in that normally Democratic State—and his appointment is expected to encounter minimum opposition among his one-time colleagues.

The job he will take over is regarded currently as one of the most difficult and delicate in all the diplomatic world. India is one of the key spots in the "cold war," a nation courted by both sides and led by Premier Jawaharlal Nehru, a man who often seems willing to be a go-between in the struggle between the West and the Communists.

Friends think Mr. Cooper is one of the ablest men who could be cast in such a troublesome diplomatic role. In Congress, he showed himself to be a man who could disagree directly with people, push an opposite viewpoint forcefully, yet remain on good terms, personally, with men with whom he disagreed. He is regarded as having an international outlook. In 1950, he was made a special adviser to the State Department by President Truman.

Mr. Cooper won two years of an unexpired Senate term in 1946, lost a Senate race in 1948, won another two years of an unexpired term in 1952, lost a contest for a full Senate term to the former Vice President, Alben Barkley, last November. Now 53, he was a lawyer, judge and legislator in Kentucky before coming to Washington.

➤ **BIGGEST BUSINESSMAN** in Russia—a man who had studied U. S. merchandising and was advocating higher living standards for Soviet people—"resigned" from his job abruptly last week. The loser in a clash over Soviet policy was **Anastas I. Mikoyan.** Winner was Nikita S. Khrushchev, rising strong man in the turbulent politics of the Kremlin.

Promises of a higher living standard have been made by Premier Georgi Malenkov. Mikoyan was attempting to carry them out. Khrushchev, boss of the Communist Party machinery, is dictating a return to Stalin's policy of building up a war-supporting heavy industry, at the expense of consumer industries. What happened to Mikoyan shows that Khrushchev's tough policy is gaining strength.

Mikoyan has been regarded for years as the top Soviet negotiator in foreign trade. As a youth he had taken Lenin's and Stalin's side in the power struggle with Trotsky, was made Trade Commissar when he was 31, a full member of the Politburo when he was 40. In 1936, he toured the U. S.—picking up ideas about canning foods, advertising and other capitalistic practices. He became known as an advocate of more trade with the West. This is the second time he has lost a fight to promote bigger consumer industry. First time was in the late 1930s, when Stalin channeled Russian production toward war industries.

A COURTLY CALLER FROM THE OLDEST NEGRO REPUBLIC

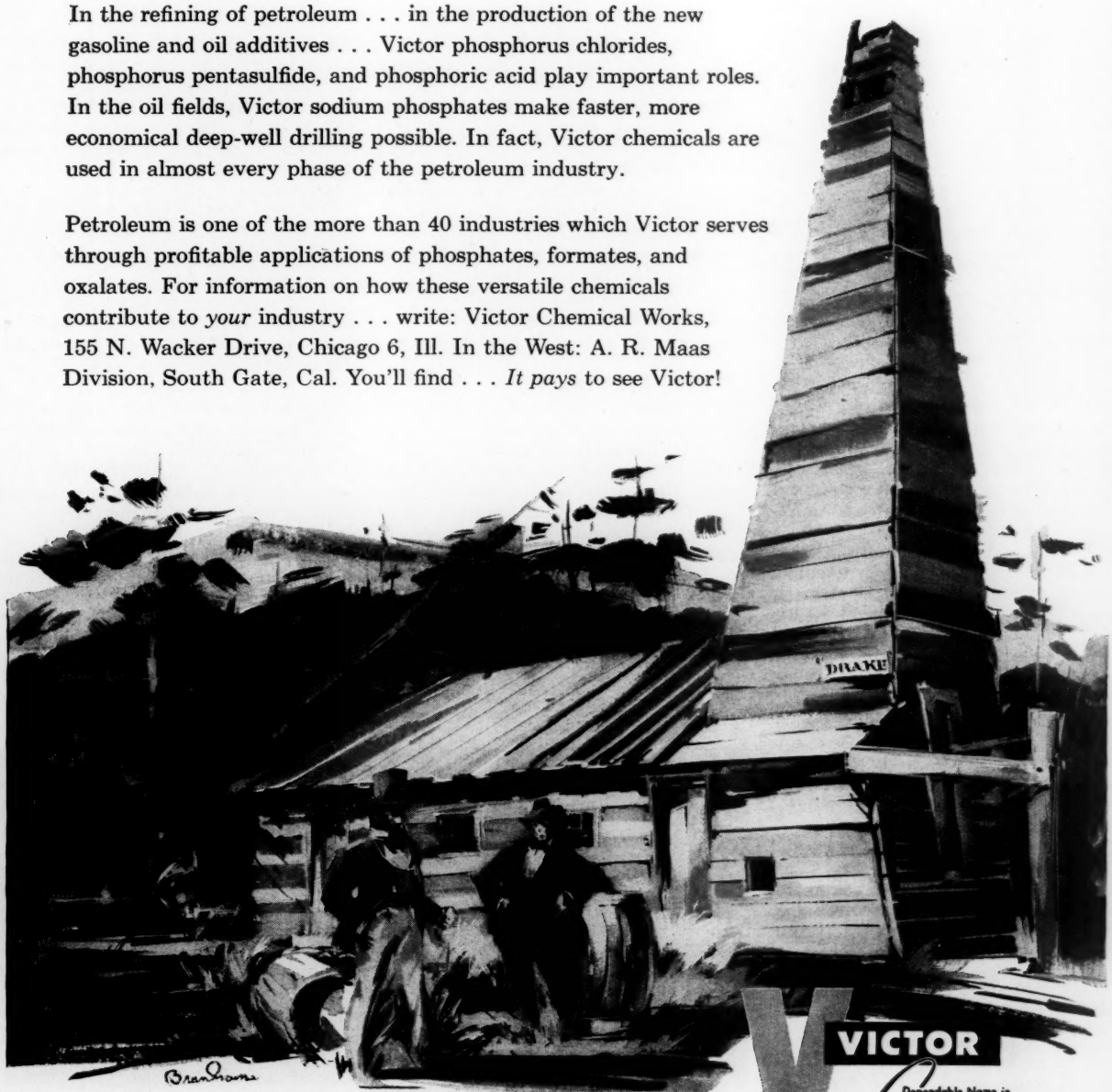
➤ **MAMIE EISENHOWER,** meeting Paul Eugène Magloire, President of Haiti, found the manners of France in his greeting. President Magloire—known for improvement of Haitians' health, schooling and agriculture—stayed overnight at the White House, addressed Congress, agreed to a U. S.-Haitian military pact.

phosphates...
improve petroleum products

The surge of power modern gasoline gives your car... the extra life and protection of new lubricating oils . . . the growing list of improvements in petroleum products since Colonel Drake drilled the first oil well . . . all owe many of their advantages to Victor chemicals.

In the refining of petroleum . . . in the production of the new gasoline and oil additives . . . Victor phosphorus chlorides, phosphorus pentasulfide, and phosphoric acid play important roles. In the oil fields, Victor sodium phosphates make faster, more economical deep-well drilling possible. In fact, Victor chemicals are used in almost every phase of the petroleum industry.

Petroleum is one of the more than 40 industries which Victor serves through profitable applications of phosphates, formates, and oxalates. For information on how these versatile chemicals contribute to *your* industry . . . write: Victor Chemical Works, 155 N. Wacker Drive, Chicago 6, Ill. In the West: A. R. Maas Division, South Gate, Cal. You'll find . . . *It pays* to see Victor!



VICTOR
Dependable Name in
Chemicals
for 57 Years

THIS IS NATIONAL STEEL

How a Miracle Became a Kitchen Commonplace

Most of us can still remember when ice was a crop grown by nature in the familiar ice-pond. Today, man-made ice and automatically controlled low temperatures are taken for granted. Your modern refrigerator is a familiar example of the everyday miracles made possible by steel.

In Grandma's day food preservation was a sometime thing. Salting, pickling, drying and smoking were effective after a fashion, but foods kept fresh and tasty in the hot summer would have been considered a miracle.

Of course, ice was fairly efficient for keeping foods longer. But ice was a product of nature. It was harvested by hand and stored in sawdust throughout the year. In the summer it was scarce and costly. Mechanical refrigeration was still a dream of the future.

The "Ice Man" Arrives

However, the growth of cities and our changing pattern of living made food preservation an ever more pressing problem. And persistent attempts were continually being made to find a cheap and dependable way to manufacture ice.

In 1834 Jacob Perkins had patented the first practical ice-making machine. Large and cumbersome as it was, it proved quite successful in breweries and meat packing plants. And by 1880 nearly three thousand patents in the United States alone had been granted for ideas on refrigeration systems.

In the closing years of the nineteenth century, ice-making plants became a familiar sight in cities and towns, and every modern home boasted an "icebox." This was certainly progress.

But there were drawbacks.

The icebox could hold only a limited quantity of food—most of the space was taken up by the large block of ice. The ice melted. And that meant a drip pan. And that meant, more often than not, ice water all over the kitchen floor.

Modern Methods Demand Modern Materials

The idea of a *home* refrigerator—a machine to make low temperatures—developed quite slowly. The first ones were crude and costly. They were really just small ice-making plants housed in the old-fashioned wooden icebox. A better material was needed. A material that could be used in mass-production manufacturing. A strong, rugged material that costs little. That material, naturally, was steel.

So the steel home refrigerator came into being. And it has progressed tremendously in efficiency, convenience, economy and appearance. The refrigerator of the early 1920's, in the coin of the time, cost about six times the price of today's handsome models.

Why this better product today—at such low cost?

It Takes Steel to Make Ice

There are many reasons, of course. But steel—America's great bargain metal—has played an important part.

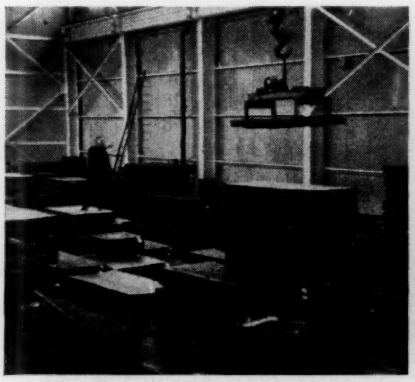
And it has taken many kinds of steel. Wide, flat sheets with the ductility to shape the case's curves and corners. Strain-free sheets for doors. High-strength strip and sheets for structural members. Wear-resisting steel for moving parts. Special steels for hardware and trim. And, always, with steel's rugged durability came the fine quality surface that is the base for the bright, clean finishes. Today, eight out of ten homes have refrigerators—a mass production miracle impossible without modern steels.

National Steel a Leading Producer

Of course, National Steel does not make refrigerators, but since the beginning, National has been one of the leading producers of the types of steel used in the manufacture of refrigerators and many other home appliances. National research and production men have worked hand in hand with refrigerator manufacturers to provide the precise kinds of steel needed for continual progress. And this progress means not only miracles accepted as commonplace today, but also a steady flow of new and even better products in the future.

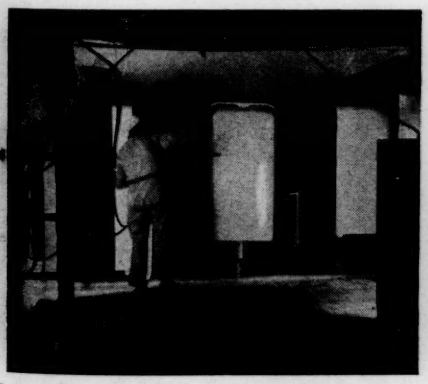
This is steel and this is National Steel—one of America's foremost producers of steel.

NATIONAL STEEL CORPORATION
GRANT BUILDING PITTSBURGH, PA.



It takes steel—and lots of it—to produce nearly 4,000,000 refrigerators each year. This cold-rolled sheet will be transformed into refrigerator doors.

Only steel will do for handsome, yet rugged, refrigerator doors. This giant press, with a pressure of 7500 pounds, forms the smooth, rounded surfaces.



The smart finishes on today's refrigerators are possible because of the fine quality surface provided by *steel*—America's great bargain metal.

Here, mass-production miracles are performed—over 2500 handsome refrigerators every day. *Steel* means more products, *better* products—at a lower cost.

NATIONAL STEEL

SEVEN GREAT DIVISIONS
WELDED INTO ONE COMPLETE
STEEL-MAKING STRUCTURE

Great Lakes Steel Corporation • Weirton Steel Company • National Steel Products Co. • Hanna Iron Ore Co. • The Hanna Furnace Corporation • Stran-Steel Division • National Mines Corporation

THE TOUGH JOBS GO TO TEXACO

The new Boeing Model 707 Jet Transport in flight

ALL TEST FLIGHTS

of Boeing's Model 707 — America's first commercial-type jet transport — were powered by Texaco JP-4 Jet Fuel. In back of this triumph of Texaco research in the field of jets lies a long record of Texaco leadership in aviation. For over 20 years, for example, *Texaco Aircraft Engine Oil has lubricated more scheduled revenue airline miles in the U. S. than any other brand.*

BOEING is just one of many fine companies which have achieved top results with Texaco. There are three good reasons for this wide acceptance: *field-proven* Texaco Lubricants, developed with the aid of the finest research facilities available... *field experienced* Texaco Lubrication Engineers to advise on their use... and *fast, efficient service* from over 2,000 Texaco Distributing Plants in all 48 States. This combination can help bring production *up*... and costs *down*... in every major field of industry and transportation. One agreement of sale supplies all your plants wherever located. For details, call the Texaco Distributing Plant nearest you, or write The Texas Company, 135 E. 42nd St., New York 17, N. Y.

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WHY U.S. IS READY TO FIGHT FOR FORMOSA

It's the Military Key to the Future in Asia

More than the island of Formosa is at stake in the new flare-up in the Pacific.

Chiang Kai-shek's bastion is a vital spot for both U.S. and the Chinese Communists. It serves to pin down the Red armies on China's coast, reduces their threat to Korea, to Southeast Asia, elsewhere. For U.S., it is a key link in the whole defense chain running the length of the Asia coast. An attack on Formosa can start a war bigger than Korea.

To round out the following story of a new crisis, you get comprehensive reports on the Communists, on Chiang Kai-shek's role and related subjects, beginning on page 54.

TAIPEI, Formosa

Military commanders, not diplomats, inspired the decision by the United States to draw a new defense line in the Western Pacific.

Chinese Communists once again are on the move, grabbing islands by force of arms. They are proclaiming their intention to seize the island approaches to Formosa and to invade that Chinese Nationalist stronghold.

What the Communists want is to free their troops, now pinned down on the China coast, for other conquests—perhaps in Korea, perhaps in Southeast Asia.

But the U.S. has made a military decision. This decision is that the Communists are reaching into an area vital to the defense of the United States itself. Formosa outflanks both Japan and the Philippines.

A "dead line" has been fixed and publicly proclaimed by the U.S. A Chinese Communist advance across this "dead line" will be considered an act of war against the U.S. And this much has been made definite:

A Communist invasion of the island approaches to Formosa will bring military action by the U.S., can trigger big war. That is official.

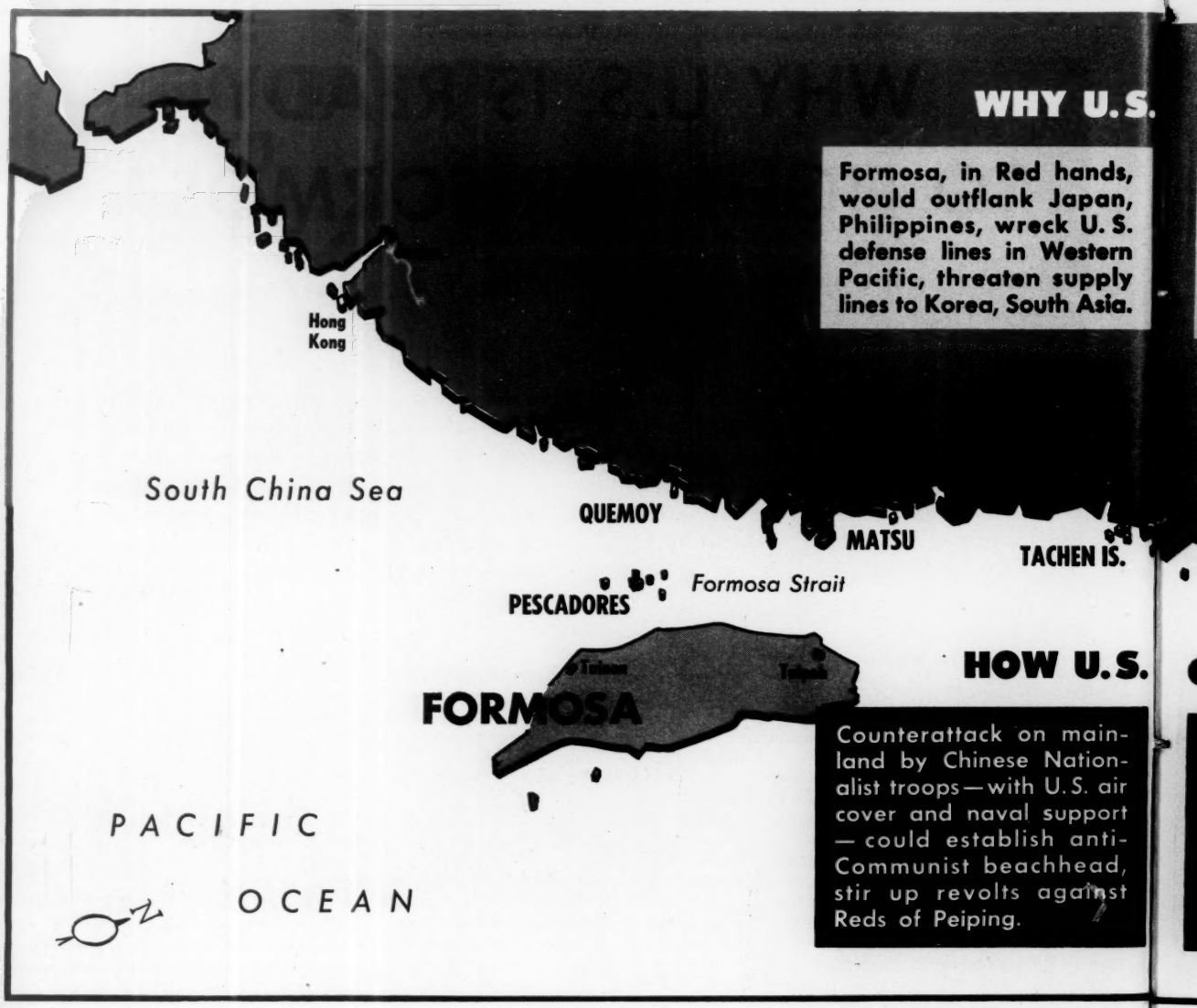
The U.S. Navy's Seventh Fleet is patrolling this area, stripped for action. The U.S. Air Force has rushed squadrons of Sabre jet fighters, loaded and ready for combat, to airfields on Formosa from which they now are operating.

These U.S. forces, if the Communists attack, will have the authority to attack the mainland of Communist China with gunfire or bombs. All weapons—ordinary and atomic—are available to the U.S. forces in this area.

At the same time, the U.S. is reassuring the Chinese Communists that the U.S. does not intend to encourage a Chinese Nationalist invasion of the mainland from Formosa. The U.S. has per-

—Harris & Ewing

THE JOINT CHIEFS: (l to r) General Ridgway (Army), General Twining (Air Force), Admiral Carney (Navy), General Shepherd (Marines), Admiral Radford (Chairman, JCS)


WHY U.S.
Formosa, in Red hands, would outflank Japan, Philippines, wreck U. S. defense lines in Western Pacific, threaten supply lines to Korea, South Asia.
Hong Kong
South China Sea
QUEMOY
MATSU
TACHEN IS.
PESCADORES
Formosa Strait
Taiwan
Taipeh
FORMOSA
HOW U.S.
Counterattack on mainland by Chinese Nationalist troops—with U.S. air cover and naval support—could establish anti-Communist beachhead, stir up revolts against Reds of Peiping.
PACIFIC
OCEAN

suaded Chiang Kai-shek to evacuate the Tachen islands, 210 miles north of Formosa. These islands now can be fortified by Communists to protect the mainland.

The new U. S. defense line, however, is not to be surrendered to Communists without a shooting war. It covers the island approaches to Formosa, including Quemoy and Matsu.

Invasion threats and war. Communists are warned, too, that even military activity on the mainland may bring the U. S. into war. If the Communists march troops aboard invasion ships now assembled in coastal ports opposite Formosa, the U. S. may attack that fleet. If the Communists mass jet fighters and bombers on air fields opposite Formosa, the U. S. may act.

"When a man says he is going to shoot you," said one top U. S. official, "you don't let him get a revolver, load it, point it at you and start squeezing the trigger before you do something."

The U. S. is beginning to move up strength to support its warning to the Chinese Communists. Traveling along the U. S. defense line, from Japan and Korea south through Okinawa, from the Philippines and Guam northwest toward Formosa, you get the feeling that the whole area is a single theater, that every movement on both sides has its relation to the over-all picture.

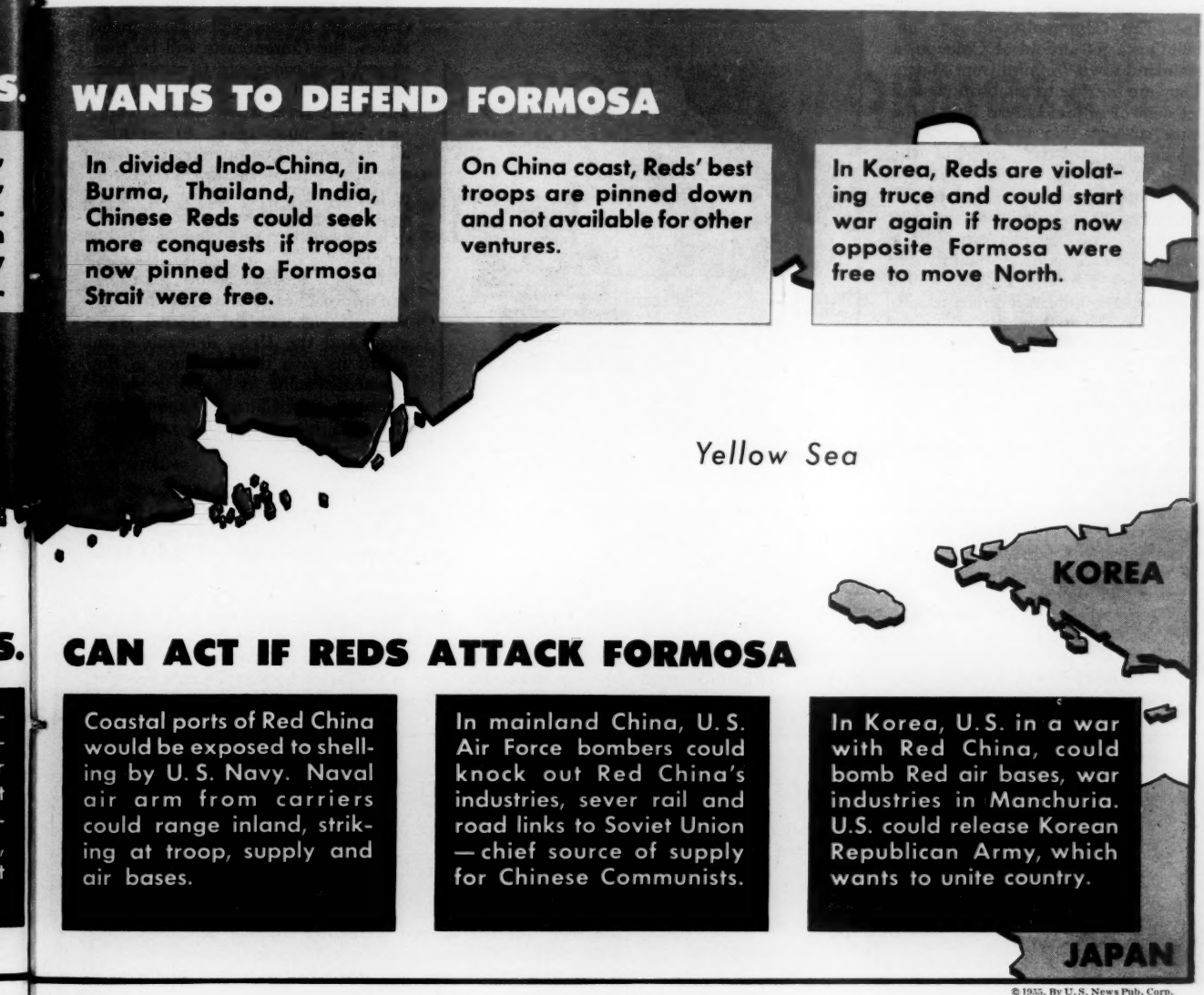
The military airports of Japan are as busy as they were at the height of the Korean war. Whole fighter wings of the U. S. Air Force have been flown from Japan back to their old forward bases in Korea.

Commercial planes stopping at Okinawa now are required to close their window curtains to prevent passengers from observing unusual plane concentrations or preparations on that U. S. base.

More than a hundred U. S. Sabre jet fighter-bombers have moved to Formosa from U. S. air bases in the Philippines and Okinawa.

Jet-fuel lines supplying the Formosa air bases from coastal ports are complete. Equipment, all American-made, is modern. The fields are large and hold enough supplies to accommodate both the planes of the U. S. Air Force and those flown by Chiang's Nationalists.

First task of the U. S. Air Force units here on Formosa will be to help provide air cover for the evacuation of the Tachen islands.


WANTS TO DEFEND FORMOSA
In divided Indo-China, in Burma, Thailand, India, Chinese Reds could seek more conquests if troops now pinned to Formosa Strait were free.
On China coast, Reds' best troops are pinned down and not available for other ventures.
In Korea, Reds are violating truce and could start war again if troops now opposite Formosa were free to move North.
Yellow Sea
KOREA
CAN ACT IF REDS ATTACK FORMOSA
Coastal ports of Red China would be exposed to shelling by U. S. Navy. Naval air arm from carriers could range inland, striking at troop, supply and air bases.
In mainland China, U. S. Air Force bombers could knock out Red China's industries, sever rail and road links to Soviet Union — chief source of supply for Chinese Communists.
In Korea, U. S. in a war with Red China, could bomb Red air bases, war industries in Manchuria. U.S. could release Korean Republican Army, which wants to unite country.
JAPAN

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The U. S. Navy, which will have initial command of the Formosa theater if the Communists start a war, is building up its strength in this part of the Pacific. The Seventh Fleet already is one of the world's strongest fighting forces and is getting more naval and naval-air power.

Change of policy. Basis of all this activity is a reversal of the military estimate of the importance of Formosa, an island described in 1949 as having "no special military significance."

A State Department document, tagged "Special Guidance No. 28" and dated Dec. 23, 1949, declared that "loss of the island [of Formosa] is widely anticipated." Military action in support of Formosa, according to this document, which then reflected official policy, would do no good for China, was not to the interests of the U. S. and would "eminently suit purposes" of Soviet Russia.

This policy went into swift reverse when the Communists started the Korean war a few months later. President Truman then ordered the Seventh Fleet to protect Formosa against Communist attack and to prevent Chiang from attacking the Communist mainland. Then, as now, the U. S. did not want Formosa for itself but did want to keep it out of the hands of a Communist power which fought the U. S. in Korea.

The pattern of Communist conquest is still clearer today. Senior U. S. commanders in the Pacific now reason this way: Truce in Korea freed Chinese Communist arms for use against the Indo-Chinese fortress of Dienbienphu. When Dienbienphu fell, Northern Indo-China went to the Communists. That, in turn, enabled the Communists to shift their military pressure to Formosa. And, if Formosa goes, the Chinese Communists once again will be free for more conquests. So these senior commanders want the U. S. to defend the approaches to Formosa.

Red timetable. On the Communist side there is bound to be a speed-up in the timetable for gobbling up all the offshore islands the Reds think they can take. They will now get the Tachens without fighting if they are willing to wait for evacuation.

Signs are that the Communists themselves are moving on toward other islands, with the result that this is just the beginning of what is expected to be a series of recurring crises.

Matsu Island, 100 miles northwest

of Formosa, appears to be next in line. The Communists already are building a jet airfield at Chienou, a mainland town 75 miles from Matsu. They are seeking to establish air and sea control around Matsu. That is the same strategy they used to conquer Yikiangshan to the north of the Tachens.

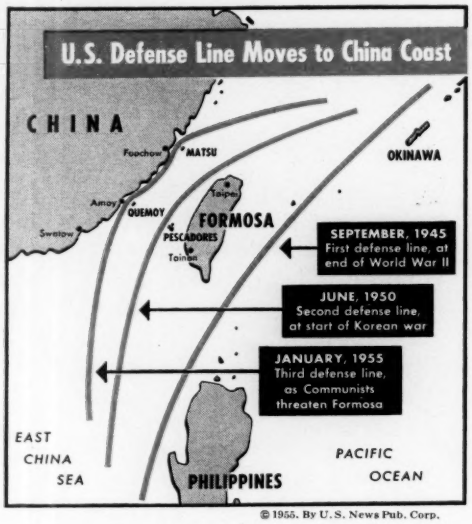
If Matsu goes to the Communists, Foochow, a sheltered port on the mainland, can be converted to a staging base. This, U. S. military observers on Formosa report, would give the Communists a direct, island-free approach to Keelung in Northern Formosa.

The Quemoy islands, held by nearly 50,000 Nationalist troops, block Communist use of Amoy, the island port which is the best base for a major invasion attempt against Formosa itself.

It was this threat of gradual attrition of the island approaches to Formosa which led to President Eisenhower's request to Congress for authority to do what he considers necessary for the defense of Formosa.

None of these islands, taken alone, is vital, but as a whole they will strip Formosa and the Pescadores of all advance defenses. In Communist hands they will open the whole mainland to shipping, to supplies of arms and jet fuel, to the free movement of Communist warships and transports.

Communist China's aim is to seize not only the offshore islands but Formosa itself. The Communist objective is thus to get rid of the pressure of Chinese Nationalists on Formosa, to liquidate its last anti-Communist rivals in a position to threaten the mainland.



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New Korean war? Once that is done, as the accompanying map shows, the Communists will be free to seek new conquests, to move their Korea-trained and Russian-armed forces wherever they desire. They may seek, once again, to conquer all of Korea, thus opening the way to Japan, major industrial power of the Far East. Or they may strike south, into Southeast Asia with its rich sources of rice and raw materials.

The tiny offshore islands guarding the approaches to Formosa thus assume importance far beyond their size. And the U. S., determined to guard its own defense lines in the Western Pacific, is taking a stand, warning the Chinese Communists that they can make more conquests by force only by getting into a war with the U. S.

A Senate report on why U. S. failed to win one war in Asia, page 44. Former Governor of Formosa tells what Reds are really up to, page 54. Chiang Kai-shek gives his views, page 60. A top Russian Communist sets the Red Chinese against U. S., page 63. President Eisenhower's message to Congress on Formosa and a challenge by Red China's Premier Chou En-lai, page 66.

Here's the Resolution in Congress Backing the President

Following is the full text of the resolution to support the President on defending Formosa and the Pescadores, as introduced by Representative James P. Richards (Dem.), of South Carolina:

JOINT RESOLUTION

Authorizing the President to employ the armed forces of the United States for protecting the security of Formosa, the Pescadores and related positions and territories of that area.

Whereas the primary purpose of the United States, in its relations with all other nations, is to develop and sustain a just and enduring peace for all; and

Whereas certain territories in the West Pacific under the jurisdiction of the Republic of China are now under armed attack, and threats and declarations have been and are being made by the Chinese Communists that such armed attack is in aid of and in preparation for armed attack on Formosa and the Pescadores,

Whereas such armed attack if continued would gravely endanger the peace and security of the West Pacific area and particularly of Formosa and the Pescadores; and

Whereas the secure possession by friendly governments of the Western Pacific island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in or bordering upon the Pacific Ocean; and

Whereas the President of the United States on Jan. 6, 1955, submitted to the Senate for its advice and consent to ratification a mutual-defense treaty between the United States of America and the Republic of China, which recognizes that an armed attack in the West Pacific area directed against territories, therein described, in the region of Formosa and the Pescadores, would be dangerous to the peace and safety of the parties to the treaty: Therefore be it

RESOLVED by the Senate and the House of Representatives of the United States of America in Congress assembled

That the President of the United States be and he hereby is authorized to employ the armed forces of the United States as he deems necessary for the specific purpose of security and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores.

This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, and shall so report to the Congress.

First A-Bomb Navy—

SET FOR ACTION OFF FORMOSA

What's between the Communists and Formosa? A narrow stretch of water—and the U. S. Seventh Fleet.

This fleet has A-bombs, missiles, ships that bristle with weapons. Its planes can wreck the Communist Air Force, then range far into China.

Result: Chinese Communists are unlikely to start a war while the Seventh Fleet is around.

TAIPEI, Formosa

If fighting starts in the waters around this island, the first atom-armed fleet in world history will bear the brunt of it. That is the role assigned to the U. S. Seventh Fleet.

The feeling in this fleet, on a war footing, is one of quiet confidence that any move Communist China may make can be countered with full success.

The Seventh Fleet as deployed in this troubled area is an immensely powerful instrument of war. In its complement are more than 61 warships—carriers, cruisers and destroyers—the most modern in the world. Its five big carriers provide bases for about 500 aircraft, many of them capable of launching atomic weapons.

For Communists to tangle with this force would be to court quick disaster. The reason is that this time there appear to be none of the limitations that prevented American military services in Korea from utilizing all of their weapons on any targets judged to be vital.

On its present assignment, the Seventh Fleet is concentrated near the Strait of Formosa, itself a body of water smaller than Lake Michigan in the U. S.

Reds' striking power. There is no enemy Navy of consequence facing the Seventh Fleet in this area. Communists are understood to have two or three submarines and some patrol boats, which could have a nuisance value and precipitate trouble, at worst.

The only real enemy threat to the fleet is the Communist Air Force. It is estimated that the Reds have about 600 planes, including about 300 jet fighters, at airfields along the China Coast near Formosa. In addition, they might bring in hundreds of planes from Manchuria, up near the Korean front.

This Communist Air Force could give the Seventh Fleet a battle if the Reds decided on all-out attack against Formosa. But it would be a one-shot affair for the Communists. Once any attack starts, the Seventh Fleet could wipe out Red air bases, with atomic bombs if necessary, thus destroying the Communists' limited reserves of planes and fuel.

With the Seventh Fleet are the Navy's biggest carriers, vastly improved over World War II standards, with larger and stronger flight decks, faster elevators, more antiaircraft guns.

About 300 jet fighter planes are on the carriers. They are slower than the Russian MIG-15s of the Communists. But American pilots are better trained and the Navy has little doubt they would "mop up" on the Reds, given the chance.

Additional fighter planes—more than 100—are available now. The U. S. Air Force's Eighteenth Fighter-Bomber Wing has just flown in to bases here on Formosa. This wing flies F-86 Sabre jets, the planes that piled up a 14-to-1 victory ratio over MIG-15s in Korea.

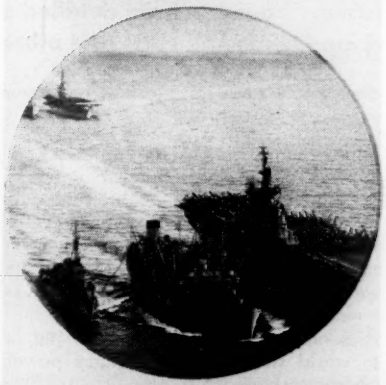
For its "Sunday punch" the Seventh Fleet has about 200 carrier-based bombers. If war started, they would hit enemy air bases first, then strike troop-assembly areas on the China coast; then turn to any other targets that could be found.

No "safe" area. The entire China coast would be open to surveillance and attack by the Seventh Fleet's planes, up to 200 to 300 miles inland. There would be no "privileged sanctuary" for the Chinese to retreat to, such as Manchuria provided in the Korean war.

For direct attack on any Communist invasion force setting out from the Chinese mainland, the Seventh Fleet has heavy cruisers, more than 50 destroyers, plus submarines, mine layers and many other combat craft. They could lay down a deadly screen of fire against the wooden junks and sampans of the Communist Chinese.

If the Communists venture far into Formosa Strait, they thus will run into a mighty military force in the Seventh Fleet. The betting here, at this time, is that Communist leaders are aware of the fleet's power and are unwilling to start a fight with an antagonist that so far overshadows any force they can throw against it.

THIS IS THE SEVENTH FLEET



SHIPS:

CARRIERS — 5
of the largest

CRUISERS — 6
including *Helena*, flagship

DESTROYERS — 50 plus

SUBMARINES —
Number undisclosed

PLANES:

About 500, including around 300 jet fighters

WEAPONS AVAILABLE:

BIG ATOMIC BOMBS
LITTLE ATOMIC BOMBS
GUIDED MISSILES
ROCKETS
GUNS, including heavy naval rifles
TORPEDOES, MINES, DEPTH CHARGES

MISSION:

Protect Formosa, take whatever action is required

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TAKING A LOOK AT CHINA

Weakest Nation That Ever Talked Tough to U. S.

Chinese Communists, acting tough, actually are leading from appalling weakness. They rule a primitive land of hunger that has none of the sinews needed for modern war.

A look behind the threats shows this—

War industry? Almost nonexistent. Transport? Archaic. Resources? Limited and undeveloped. People? Millions, but they are an unskilled, seething mass, close to starvation.

On these pages is the real story of a weak China now posing as a world power ready to stand up against the U. S. The story is drawn from detailed analyses made by American experts and others in key spots throughout Asia.

HONG KONG

The Communist China of today—challenging the United States to a fight—actually is one of the world's weakest nations.

Within this China, now putting up a bold front, is little with which to wage modern war. Industry of any kind, other than agriculture, is almost nonexistent.

Steel production is barely 1 million tons a year, an infinitesimal amount relative to the needs of a modern army. An armaments industry hardly exists. Some rifles, machine guns and small artillery pieces are made, but in far from staggering quantities.

Red China's oil production is negligible. Output of electric power is extremely small. There is no aluminum industry, no chemical industry worthy of the name, little machine-tool industry—not much of any industry, in fact.

China's industrial plant, damaged during long years of civil war and by Russian looting in 1945 and 1946, is just about the same as it was in the 1930s. Only a few new factories show up, despite Communist boasts of massive industrialization.

Communications remain primitive. More than 50 per cent of China's freight is carried on human backs. The nation has few trained workers. Machinists, foremen and engineers are parceled out only to the most essential industries.

People: resource or problem? Communist China, upon close examination, is found to lack everything needed to fight modern war—except people. And people, in China, are a basic problem, requiring food that always is scarce.

Economically, the country is rated by U. S. Government experts as standing on a par with Portugal, which has little more than 1 per cent of China's vast population and land area.

Red China, behind its big Army, is not even the most powerful country in Asia. Japan produces eight times as much steel, manufactures almost everything from aircraft to radios. Even India, with a population problem of its own, has far more industries and gives its people a better living.

Seldom has a nation talked so big in the world with so little military power at home to back it up.

China has no navy and no merchant marine to speak of. It has no shipyards, no industry producing aircraft or trucks or tanks or electronics. Except in scattered areas, it lacks telephones, paved roads and rail lines. It cannot even begin to think about an atomic industry.

Most of the modern arms that Communist China holds were either purchased from Russia or captured in war. Much of the captured equipment consists of U. S. arms—picked up in China's civil war, in Korea and in Indo-China.

—Black Star

CHINA'S PEOPLE
. . . one jump ahead of starvation

There is little industry in China to replace any of this equipment that is destroyed, lost or used up in war. The supply of arms from Russia is carried over long, tenuous lines, easily severed.

China's ability to get Russian weapons is strictly limited. It has to pay for those arms. It takes large quantities of food from a population already near starvation level, and exports it to Russia—along with tungsten, tin, textiles, hog bristles and human hair. And the Russians, now, are beginning to demand U. S. dollars from their ally in payment for some of their goods.

China's ability to fight any kind of modern war—except a short and limited one—against the United States is regarded by American military officials as highly questionable.

They say that Communist China, at this time, does possess a few elements of military strength:

- Its stockpile of arms and aircraft, unless destroyed, can be impressive in a limited war such as that waged in Korea. Their destruction would require U. S. air operations directed at the mainland of China.
- The low-grade nature of the country's economy actually provides an element of strength. China has no head or heart or blood stream that can be destroyed readily. The Japanese learned this in 14 years of war. They could make gains at will, but could strike no vital blow. There are considered to be no more than six industrial targets in China worth the use of atomic bombs.
- China's Communists also rely on the vast interior spaces of the country, and the passive resistance of the huge

population, to bog down an invading army. And they have shown skill in utilizing hundreds of thousands of hand laborers to do the work of machines on industrial and military projects.

• On top of that, China counts on its powerful neighbor and Communist ally, Russia, to bail it out of big trouble.

The record in Korea. Communist Chinese, it is true, successfully fought an aggressive war in Korea against U. S. soldiers and airmen. That war was waged on terms that denied the U. S. the right to attack the Reds' main bases and supply lines inside China. Americans fought under rules that forbade them to win. A "shooting war," now, would not impose the same restrictions on U. S. aerial attacks against China itself.

Any sustained air assaults will put an almost intolerable strain on an economy that already has trouble feeding and clothing its people.

China's Communists claim a population of nearly 600 million. More than four out of five of these people live from the soil, tilling tiny patches of earth. Starvation, even so, is always present. One person, in China, raises little more than enough to feed himself. In the U. S., less than one person in seven is a farmer—and that one person produces far more than the other six can consume.

Red bureaucrats admit that famine covered 10 per cent of China last year, and another 10 per cent was "short" of food. City dwellers get the smallest rations of grain—sometimes no grain at all. Husks are left on grain, and peanut oil is adulterated with cottonseed oil to increase bulk of food that is available.

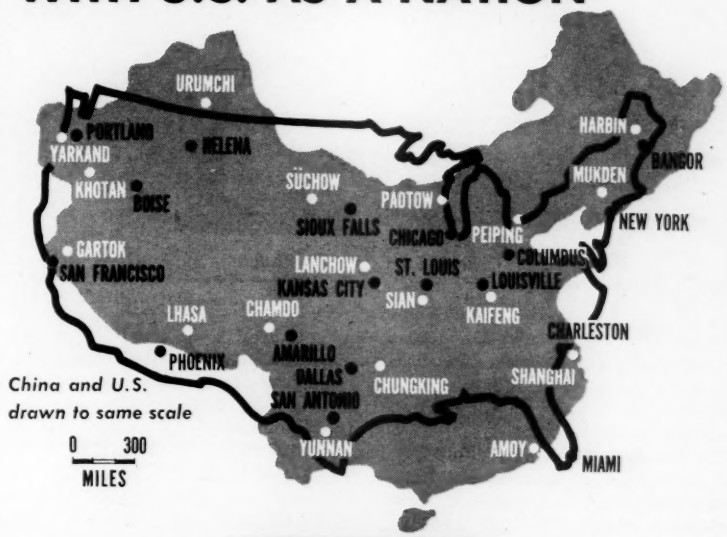
Does efficiency pay? Communists are trying to get around this problem by forcing peasants to form co-operatives and collective farms—thus increase efficiency. But the peasants do not go along with that idea. Furthermore, the Reds already have 3 million jobless people in cities alone. Efficiency on farms puts farmers out of work, with little left to do but starve.

China's industry cannot begin to give jobs to the population overflow. Less than one half of 1 per cent of the population is engaged in manufacture. All of that industry, run dictatorially, can provide its people with the equivalent of no more than 50 dollars income a year each. That income must feed and clothe the worker and his family and satisfy all their wants—with plenty to spare for taxes and "donations" that support 10 million Red bureaucrats and an Army of more than 3 million men.

The dilemma that Communists of China face is simply this:

> Concentrate effort and raw materials to build a larger industry, then food production suffers—and

HOW RED CHINA COMPARES WITH U.S. AS A NATION



	CHINA	U. S.
CHINA HAS VAST LAND AREA	4,038,000 square miles	3,022,000 square miles
CHINA HAS TEEMING POPULATION	600,000,000	163,000,000
BUT		
CHINA HAS —		
NOT MUCH CROPLAND	300,000,000 acres	400,000,000 acres
INSUFFICIENT FOOD	2,100 calories per person per day	3,200 calories per person per day
LITTLE WEALTH	$50 of income per person per year	$1,800 of income per person per year
ALMOST NO INDUSTRY	$5 billion in capital equipment	$500 billion in capital equipment
PRIMITIVE TRANSPORT	124,000 miles of roads	3,500,000 miles of highways
LIMITED RESOURCES	Few minerals, no means of importing big supplies of materials	Rich ores at home, access to most of the world's raw materials

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—Eastfoto

CHINESE "COUNTY FAIR"
. . . not much to trade

the number of people who must look forward to starvation grows larger. Starvation neither adds to happiness nor gives Communists the picture of success they try to paint.

Yet concentrate on agriculture to get more farm production so that people have enough to eat—and the population shoots up even more, because fewer people starve or die of disease or malnutrition.

Thomas Malthus, a British scholar, wrote his "Essay on Population" in 1798. His theory was this: "The power of population is definitely greater than the power of the earth to produce subsistence for man." In other words, he predicted that the world's population would grow to the point where the earth could not support it.

An 1803 estimate. The Malthusian theory is not working in Western Europe and the Americas. But it works in many parts of Asia. Malthus himself described China in 1803 as "more populous in proportion to its means of subsistence than perhaps any other country in the world. . . . A third of this infinite population would hardly find sufficient rice to support itself properly."

That gloomy estimate, made a century and a half ago, now turns out to be correct for China. Its food production has barely kept up with the population growth occurring since. Pressure inside the country grows worse, not better.

The Communists running China have a bear by the tail, if American appraisers are right. They have to find food and jobs for 12 million people that are added to their population every year. Yet the country, within itself, lacks almost everything—food, manufacturing, the money and skills needed to develop the country's own potential.

The prizes southward. An attempted breakout from this situation is regarded as certain at some point if the Communists are to keep their hold. In this circumstance, Formosa is regarded as just a side show to the main event—the Communists' long-range goal to engulf the riches of Asia that lie to the south of China.

There is food to feed all of China in the "rice bowl" of Southeast Asia—Burma, Indo-China and Thailand.

Rubber and petroleum are abundant in Malaya, Ceylon, Burma and Indonesia. Iron, manganese, tungsten, antimony, coal, tin, timber and lead now are just out of the hands of the Communists in the vast reaches of Southeast Asia. In that part of the world are the wealth and raw materials that can be used to give today's weak China the major-power role its Communists leaders claim.

The Communists long ago fixed their sights on the eventual domination of all Asia—and particularly the treasures that abound in the militarily weak countries of the South Pacific.

Already they hold the northern half of Indo-China, taken over through a truce after nearly eight years of war.

Communist infiltrators are at work in Laos, in Thailand and along the edges of Burma. Their guerrillas keep the Malay Peninsula stirred up.

Reds moving underground or working through local "front" organizations are nibbling at Indonesia and what is left of free Indo-China. They are sealing off high Tibet and working down the slopes of the Himalayas toward India.

Stumbling block: U. S. As the Communist leaders see it, only the U. S.—its warships and aircraft armed with nuclear weapons—stands in the way of China's ambitious program for Asia. Yet, so long as the U. S. stays in the neighborhood, that program is held in check. Communist troops are tied down in Korea and in China's coastal ports across the strait from Formosa.

The strategy of the Communists now is to try to get the U. S. out of Formosa by one means or another—military bluff if it will work, or roundabout negotiations if they can bring things to that.

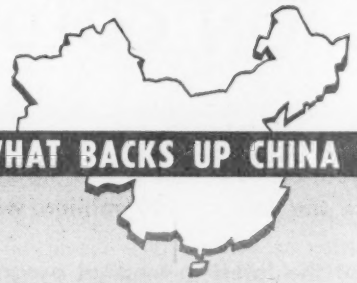
A bold front by the Communists, if it forces the U. S. to back down in the case of Formosa, is counted on to discredit the United States in all of Asia, and clear the path into Southeast Asia for the Chinese. Communist troops, no longer tied down in the north by U. S. military strength, could threaten vulnerable countries to the south.

If that bold front leads to a fight with the U. S., however, China's Reds have almost nothing at home behind their big Army—nothing that will enable them to fight a sustained, modern war against an opponent using the latest weapons. Talk, and little else, backs up Communist China's threats to throw the U. S. out of Asia.

—Eastfoto

FARMING METHODS ARE PRIMITIVE
Four out of five must live from the soil

The Power of Red China VS. the Power of America



WHAT BACKS UP CHINA		WHAT BACKS UP U. S.
1 million tons a year *(3.3 pounds per person)*	**STEEL**	112 million tons a year *(1,374 pounds per person)*
52 million tons a year *(173 pounds per person)*	**COAL**	453 million tons a year *(5,558 pounds per person)*
7 billion kilowatt-hours per year *(12 kilowatt-hours per person)*	**ELECTRIC POWER**	500 billion kilowatt-hours per year *(3,067 kilowatt-hours per person)*
15,500 miles of track 2,477 locomotives 31,354 freight cars 3 billion ton-miles of freight per year	**RAILROADS**	226,000 miles of track 40,000 locomotives 1.8 million freight cars 600 billion ton-miles of freight per year
3 million barrels per year *(Less than 1 quart per person)*	**OIL**	2,387 million barrels per year *(More than 2,452 quarts per person)*
5 million cotton spindles Little rayon, wool production	**TEXTILES**	23 million cotton spindles Vast rayon, wool production
16,000 *(One car for every 37,500 Chinese)*	**AUTOS**	48 million *(One car for every 3 Americans)*
40,000 *(One truck for every 15,000 Chinese)*	**TRUCKS**	10 million *(One truck for every 16 Americans)*
600 *(1 tractor per 1 million Chinese)*	**TRACTORS**	3.6 million *(1 tractor per 45 Americans)*
About 500,000 tons of ocean shipping	**MERCHANT SHIPPING**	About 44 million tons of ocean shipping
At most, a few assembly and repair depots for Russian planes	**AIRCRAFT FACTORIES**	Capacity in wartime for more than 50,000 military planes per year
	PLUS	
NONE — and Russia is unlikely to provide any	**ATOMIC ARMAMENTS**	A growing stockpile of all atomic weapons, supported by an 8-billion-dollar atomic industry

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Interview with EXPERT ON COLDS
Dr. Robert J. Huebner

CURE AHEAD FOR COMMON COLD?

Scientists, after many years of baffling research, now say they may be on the verge of discovering what causes colds. And a remedy, they predict, is bound to follow soon.

When that cure comes, it probably will be by vaccination—a simple "shot."

A cold cure will mean more than relief to millions of sufferers. It will bring under control one of mankind's most expensive ailments. Colds every year cost this nation 2 to 5 billion dollars, cause the loss of 100 million work days.

For news of the latest in medical progress against the common cold, *U. S. News & World Report* interviewed Dr. Robert J. Huebner, chief of the virus-diseases section at the National Microbiological Institute, Bethesda, Md. His report follows.

Q With colds plaguing so many people, and causing so much job loss in industry, why is it that we don't seem to be getting anyplace in finding a cure, Dr. Huebner?

A I think you have to look at that in several ways.

In the first place, the kind of ailment that the average individual calls a cold is a bothersome thing, but, from a health standpoint, not something that in itself is really serious—as compared with tuberculosis or polio, for example. So, until rather recently, the intensity of research devoted to it has not been comparable to these other seemingly more important problems.

Lately, though, there have been developments that enable us to say that we think we are getting someplace in solving the problem.

I think we might point out that the hope today—at least from the scientific standpoint—of finding the answers to the problem of the common cold is immeasurably greater than it was just a year or so ago—if only because one knows now that one can isolate a great many human viruses that just a few years ago hadn't been isolated.

Q You are able to study them now, whereas a year or so ago you had nothing to study?

A That's right. In our laboratory, as well as in other similar laboratories, a great many different viruses have been discovered which are in search of diseases—we have discovered the viruses but don't know what diseases they cause. That makes it possible that the virus for the common cold—if there is a single one—and some of the other severe or not so severe human ailments might already be available in the iceboxes of some of these laboratories.

Q Would you say that we are on the threshold of some important development in connection with the common cold?

A Oh, that's almost beyond question. In our laboratory, for example, we have a whole new group of viruses which we get from the nose and throat. Furthermore, we have evidence that they may cause at least some common respiratory diseases.

Q Then there really is a cold virus?

A That's the question that we're asking ourselves. I think it would be a mistake if scientific people were to start with the simplified concepts that everyone seems to have about the respiratory diseases—nose, throat, lung—or the common cold.

Q You mean that the cold isn't just one thing—that it may be a lot of different things?

A I think that's not only possible but I think it's probable. We already know that some of the known microbes—such as streptococci and influenza virus—will, in some persons, produce illnesses which are not too distinguishable from what is frequently called the common cold. I should point out here that we like to reserve the term "common cold" for a specific, unknown part of this large area of common respiratory disease. But the majority of these so-called common colds are certainly not caused by streptococci or some of the viruses already known to occur in the nose and throat.

Q Then we actually don't know what causes colds—

A Well, when you say we don't know what causes colds, we can qualify that a little bit. We can say that it's possible to demonstrate, through human-volunteer studies, an agent in the nose and throat secretions which will reproduce the kind of illness that the original donor of the secretions had.

Q It's a virus?

A Well, yes, I think we can say that. It's not a virus in the sense that it has been grown in the laboratory by itself—I shouldn't be talking about "it," of course, since there are probably a number of them, agents which have not been grown in the laboratory but exist only in nose and throat secretions of man. When the nose and throat secretions are filtered, or subjected to antibiotics—penicillin, for example—that will knock out or destroy bacteria, we still have this agent left in there which will reproduce in volunteers. So

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Hope "Immeasurably Greater Than Year or So Ago"
. . . Prevention by Vaccination Is Believed Likely

that there is a factor there which most investigators call a "virus," although the virus itself has not been captured and really studied in the laboratory.

It is a virus in the same sense as the measles virus. Recently Dr. Enders [Nobel Prize winner Dr. John F. Enders of Harvard Medical School] reported an isolation of measles virus in animal tissue grown in the laboratory. Up to that time there was no question that measles was a virus disease, even though the virus wasn't very well studied in the laboratory.

Q So you now have a better tool for finding out what the viruses are?

A Not only a better tool, but many new tools. This tissue culture provides not only one new method but as many new methods as there are different kinds of tissues from man and animal that can be grown. It is quite possible, for instance, to grow certain viruses in tissues of an animal which itself would not become ill if you gave it the virus in the live state. As a result, viruses have been isolated from man so rapidly that they haven't even all been classified as yet.

The problem today is not so much to isolate viruses as to find out what they are doing to the human population. This is a new approach, in a sense. Previously we used to go out and look at sick people and try to find what was causing their sickness. Now we turn up a virus, and what we do is go out into the community and try to find out what it is doing there.

Q Is there any guess as to what proportion of the possible causes of the cold have been discovered?

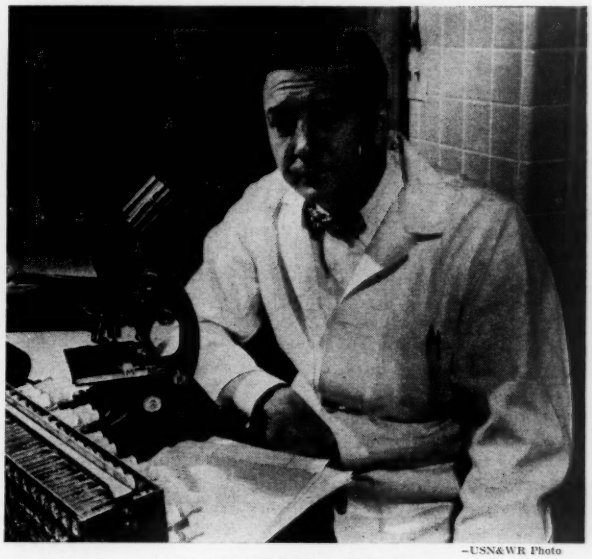
A Various studies indicate that the average person gets some six respiratory illnesses a year which cannot be identified specifically. But there's presently no way of knowing how many different agents—or variants of agents—are causing them.

We and a group at the Army Graduate School have found half a dozen viruses that are the cause of a number of respiratory illnesses. They are adenoidal-pharyngeal-conjunctival agents—what we call "APC" agents. We can say almost categorically that most common colds—that is, the nonfeverish, runny-nose type of cold, to which physicians reserve the term "common cold"—are not caused by these viruses.

However, we know that when the APC agents occur in a group or in a school or in a household, one can get quite a wide gamut of illnesses, most of them feverish but some of them the nonfeverish, runny-nose type of illness. So we have the rather anomalous situation in which a single virus can cause a wide variety of illnesses. We have evidence that there are other such viruses, perhaps many. Thus you can see how complicated the problem is.

Q Suppose you find viruses that cause cold symptoms in people. Does that mean you might turn up the cure for them?

A Well, I want to qualify before I answer your question. The viruses we have are not designated as "cold viruses," because we can spell out what they do much more accurately



–USN&WR Photo

DR. ROBERT J. HUEBNER

than that large term indicates. For instance, they frequently cause fever, a sore throat, maybe inflammation of the nose, occasionally other symptoms related to the respiratory tract, and frequently infections of the eye. But they do not cause the bulk of nonfeverish respiratory ailments. So we wouldn't want to call them "cold viruses." But we have evidence that the six types of APC viruses do cause infection and a considerable amount of illness in virtually all humans at some time during their lives. Therefore, it is possible now to describe accurately a certain number of human illnesses and to segregate them from the broad picture of common respiratory illnesses that we couldn't previously define.

Now, as in most of the other smaller viruses, the available antibiotics do not affect these agents. So that we have no specific treatment for them. We feel that the best thing to strive for is a preventive—a vaccine—something along the line of the one which is just being tested now for polio. We have reason to believe—hope, at least—that we could influence man's experience with these agents if we had a good vaccine.

Q How long will it be before you get this vaccine?

A There are some technical problems involved that have to be solved first. These new agents are now being produced chiefly in cells derived from human cancer tissue. We are not contemplating at the present time using this material for vaccines. We don't feel there is much evidence that there would be any great danger in using vaccines made in can-

(Continued on next page)

. . . Wet feet, drafts? "You have to have the virus first"

cer tissues. But we feel that there may be some hesitation on the part of many people to accept such a vaccine.

Q Are you saying with respect to these particular coldlike agents that you have a vaccine which could be protective?

A We already know from giving volunteers APC virus that these viruses will immunize, or at least produce disease-fighting substances in, the person given the agent. We therefore feel that a vaccine would be worth trying. Our major effort at the present time is to try to adapt these new viruses to some tissue which is available in large quantities in tissue culture. What we'd like to do is adapt them to monkey-kidney tissue, which is commonly used for polio; thus the machinery already set up for that purpose could also be used for APC viruses.

Q How long will that take?

A Well, the amount of time it takes us or others to adapt these various types of viruses to a tissue like monkey kidney, or some other tissue that can be produced in large quantities, will be the limiting factor on when we can do large-scale studies on their value.

Q So you can't give any number of years?

A No. If we're lucky, it may be very soon. I think, perhaps, at this point we should mention the fact that one of the six APC viruses we have been talking about is responsible for a large proportion of respiratory illnesses that occur among military recruits.

Q Does this mean that the majority of colds—if you can call them that—stem from this one type of organism?

A No. In the studies which we have done—and this is also true in the Army studies—the majority of respiratory illnesses are almost certainly not caused by these agents. It's only when these agents are epidemic that they may then be responsible for nearly all illnesses happening at that time. In the same way, one could say that influenza virus might be responsible for 90 per cent of the illnesses occurring during a period of time when it is epidemic.

Q The fact is, though, that you have isolated viruses that occasionally cause coldlike ills in people, that it's possible to get a vaccine that can protect a person from those viruses, and so, when you pin down all the cold viruses, you'll be able to come up with a vaccine that would prevent colds?

A Of course, it isn't as simple as all that, but that would be the hope.

HOW MUCH IMMUNITY—

Q Is there any chance that a vaccine will be developed that will give a person more immunity than the natural exposure?

A Generally speaking, we don't hope to do that well, but it's not impossible. We feel that, when a virus enters the body and produces an illness with all the typical manifestations, it provides about as strong an immunization as you can get, so that a vaccine can hardly be expected to do better than that.

Q Well, since people don't seem to develop any long-lasting immunity to colds naturally, does that mean there will never be a successful cold vaccine?

A This is a leading question. The APC viruses produce immunity which we believe is long-lasting—there are many different strains which immunize against themselves but not others. A vaccine would have to include most of them—which is quite possible. Before speculating about other unknown respiratory agents we ought to first isolate and study them.

Q Is there such a thing as a cold season? Do people get more colds in the wintertime than in the summertime?

A Yes. There's good evidence that more colds occur in the cold weather.

Q What's the reason for that—changes in temperature, drafts?

A The answer to that is not available at the present time. There are some studies going on at the present, at the University of Illinois, to try to get some specific information. But up to the present time, none of the factors that you mentioned as possibly important to respiratory disease have been confirmed in experimental studies.

Q In other words, you aren't necessarily more likely to get a cold if you get wet feet or sit around in a draft—

A Well, one can say this: If a person lived in an isolated community such as Spitsbergen—back when Spitsbergen was really isolated—he could get a cold, but, unless the virus was introduced into that population, he wouldn't get it. You have to have the virus first.

Now, what happens after you introduce the virus? Whether or not you are more likely to get ill, or whether your illness is going to be more severe because of these other factors are questions that must still be answered.

EFFECT OF FATIGUE—

Q Is the virus commonly in an individual's body—and when he gets overtired or worn down he becomes susceptible?

A That question has been asked many times, but it has never been satisfactorily answered. We have found, for instance, that the APC viruses can be demonstrated in the adenoids and tonsils of 60 per cent of persons who have these organs removed. They couldn't be demonstrated in secretions from the organs before they were removed. But, afterwards, they show up in bits of the organs grown in tissue culture for long periods. So we know that these viruses at least are frequently present in the adenoids and tonsils; but that other things in our systems—perhaps protective antibodies—are capable of keeping them in check. But we haven't found any evidence yet that stress or anything else brought to bear on a person can break them loose and cause an illness.

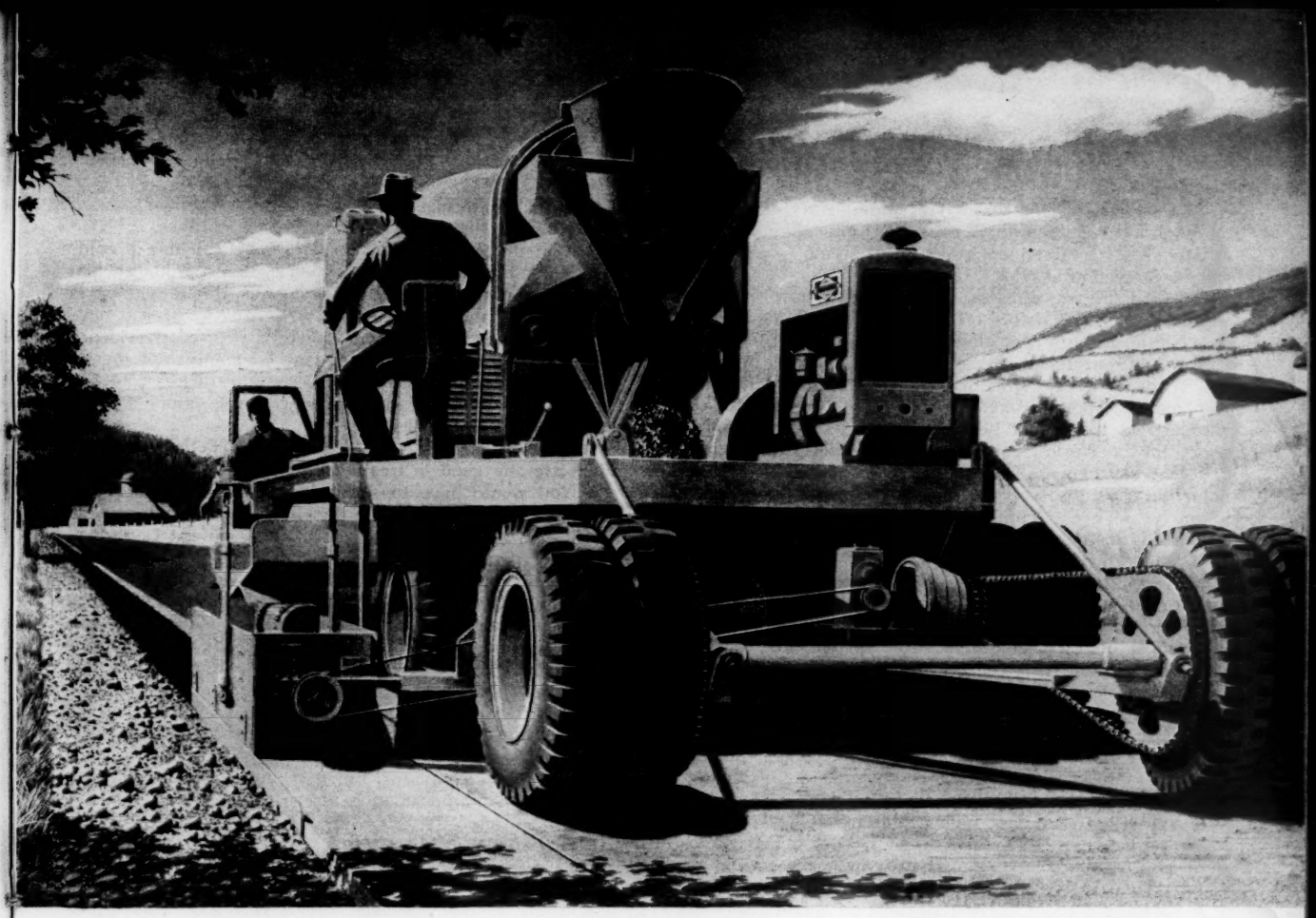
Q If you get a cold and recover from it, has your body then built protective substances against the particular virus that you had at that time?

A We can answer this with respect to the known viruses—and I suspect that we ought to limit our discussion to the influenza and APC viruses, because we know about them: We can say that you do. Now that doesn't guarantee that you won't get those viruses again. What it means is that you may be resistant to those particular variants of virus for a certain period of time. But both the influenza viruses and the APC viruses exist in different immunological types, so that the following year, two years later, or even the following month, it may be possible to come down with the same disease due to different immunological variants of these viruses.

Q Does that mean, then, that a vaccine you develop against certain strains of virus will not protect you from another strain of the same virus?

A Yes. That's exactly the situation experienced when the first influenza vaccine was tested. When this influenza vac-

(*Continued on page 32*)



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Iron, Steel and Alloy Rolls for Rolling Steel and Other Metals

. . . "Best treatment, if you have no specific therapy, is rest"

cine was given to men who were subsequently exposed to the same kind of virus, there was some protection. But then in later tests, in subsequent years in a different place, there was no protection at all.

Q The influenza vaccines that are used now—are they effective against a number of influenza viruses?

A Yes. What has been done is to incorporate the known viruses into the present vaccine. It is still possible, however, that in the future the virus that one is going to have to deal with may be enough different from those embodied in the vaccine that it will not be effective. That is the principal reason for the World Health Organization influenza program, a world-wide influenza information service, so that, when an influenza virus first appears during the respiratory season, it can be isolated, identified and compared with those that are already in the vaccine.

Q What good does that do?

A Well, first of all, if one is interested in trying to prepare for an epidemic—and we're always interested in anticipating what our troubles are going to be—we want to know about it ahead of time.

Q The idea is that if you get an outbreak in, say, Central Europe and discover what strain of virus is causing it, then you can develop a vaccine to give to people here?

A That is one of the possible advantages of this information service. Whether or not it is going to work in practice is another question. It takes a certain amount of time to make any of these things work.

Q You hear talk about influenza running in cycles, this being, perhaps, an "on" year for one kind of influenza. Are there any outbreaks of that particular influenza around the country?

A As far as I know, there have been no definite isolations as yet. It's reasonable to expect, on the basis of previous experience with the influenza viruses, that this year may well be an influenza year. However, it might be postponed till next year. No one knows whether previous cycles will be constantly repeated.

WHEN TO TAKE FLU "SHOT"—

Q Should a person get a flu shot now in case there might be an epidemic this year?

A If the person is concerned about getting it this year, he should, of course, take the vaccine, if his family physician recommends it.

What we have to realize, however, is that the real value of the vaccine for any future epidemics has not been fully established.

Q You don't know how much real protection a person can get from it—

A That's right.

Q Well, what about it if the epidemic is on you?

A Then it's too late.

Q Why?

A Because it takes a while for any vaccine to produce enough immunity to do you any good. You have to do it before the influenza epidemic has arrived, quite a few weeks before.

Q Now wouldn't be too late, though?

A Well, as far as we know, it wouldn't be too late if the epidemic occurs in late winter or early spring. But influenza may be here next week, and then it would be too late.

Q Does the vaccine cause any harmful reaction?

A No more than other commonly used vaccines.

Q Will the flu vaccines keep you from catching a cold?

A No. While there has been good evidence produced that influenza vaccines will prevent or modify the consequences of infections caused by the influenza virus when you have the right strains in the vaccine, there is very good evidence also that the influenza vaccines may frequently not greatly affect the over-all occurrence of respiratory diseases to any appreciable extent, since the majority of respiratory illnesses are caused by other agents.

Q What is medical opinion today on whether antihistamines are any good in treating colds?

A You would have to define "colds." If by "colds" you mean the infection and the illness set up by viruses—the initial stages—they have no effect whatsoever. Controlled studies of persons who develop colds have shown that the antihistaminics had no more effect than sugar pills. However, the antihistaminics are powerful drugs, and they do produce a physiological effect in the human host. Now, when one has a cold and he feels pretty bad, it is quite possible that antihistaminics, like many other drugs, will make him feel better for a period of time.

Q But they actually do not affect the infection—

A No, they actually have no effect on the infectious process. They do not destroy the virus. They may modify some of the common symptoms. But it seems to me the evidence to support that supposition is not so good.

HOW TO TREAT A COLD—

Q What's the best way to cure a cold?

A That question has been answered a good many times in different ways. Since the "common cold" is not one respiratory disease, but probably many diseases, it's not possible to give a specific answer. Certainly the best treatment for any infectious disease for which you have no specific therapy is rest. Another thing, which in a sense is treatment, is segregating oneself from one's contacts in order to protect oneself from complicating microbes. If you have one infection, there's no use getting another one. And we know that can happen. If one segregates oneself from one's friends and contacts, he also protects them to a considerable extent. That doesn't mean, of course, that they won't get it later from somebody else.

Q Is it true that as people get older they get fewer colds?

A There are many factors which determine why a person gets a respiratory disease, and some of these have been worked out. Certainly evidence shows that in the average household which contains preschool children, school children, and adults—that these various groups develop respiratory diseases at a different rate. Preschool children have more of them. School children are next. The mother is next and the father follows the mother. This is according to the findings reported from the excellent family studies done by the Western Reserve School of Medicine. It is interesting that the number of colds that occur in the household is related to the number of children who go to school.

Q Looks as if best cure for the common cold is to grow older—

A Or not to have children! Or maybe not to send them to school. I hasten to add that my wife and I have 8 children —5 are in school, 3 are preschool.

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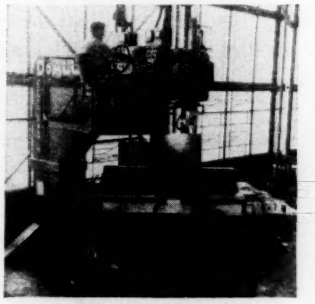

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WHAT GOES ON AT IKE'S DINNERS

President Puts Old-Time Cracker-Barrel Idea to Work

"I told the President . . ."

A lot of people actually did tell Mr. Eisenhower—at stag dinners attended by hundreds of businessmen, labor leaders, publishers and politicians.

These dinners bring the President new ideas. They also give to people whose influence counts in elections the feeling that they are playing a part in the Government. And the effects may induce Ike to run again.

President Eisenhower is turning the White House stag dinner into an important political institution. With it, he is paying off campaign debts, checking reaction to his program and paving the way to a try for a second term.

What is happening is this: Mr. Eisenhower finds that the state dining room at the White House can be turned into a great political asset. It has been used in that way by other Presidents, but none has done so with such practiced efficiency.

Mr. Eisenhower is using the stag dinner to learn what people think of his program. He is gathering information at first hand about national conditions. He is checking the advice of his aides against other opinions. He is widening his personal friendships with industrial leaders, businessmen, editors, publishers, farm and labor men, many groups. And he is sounding out opinion about a second term in the White House.

Good-will builder. The President is discovering that a dinner at the White House, and an evening of relaxed talk in the company of the Chief Executive, sends the guests away with a glow of importance. Those who have put money and work into political campaigns go away feeling that they have had a hand in shaping national policies. The Presi-

THE MEN WHO CAME TO DINNER

These are the men President Eisenhower invited to 38 stag dinners at the White House, not including members of his staff and other Government officials:

ALABAMA

Winton M. Blount, contractor, Montgomery; **Frederick D. Patterson,** educator, Tuskegee.

ARIZONA

None.

ARKANSAS

Winthrop Rockefeller, investment management, Little Rock.

CALIFORNIA

Jack B. Beardwood, businessman, Los Angeles; **Welton Becket,** architect, Los Angeles; **Jack B. Black,** utilities, San Francisco; **Harry C. Butcher,** radio enterprises, Santa Barbara; **Norman Chandler,** publisher, Los Angeles; **Henry DeWard Collier,** oilman, San Francisco; **Justin W. Dart,** businessman, Los Angeles; **Lee Alvin DuBridge,** educator, Pasadena; **Robert Di Giorgio,** businessman, San Francisco; **Samuel Goldwyn,** motion pictures, Beverly Hills; **Freeman F. Gosden,** radio producer, Los Angeles; **Paul H. Helms,** businessman, Los Angeles; **Stanley Hiller, Jr.,** manufacturer, Atherton.

Conrad N. Hilton, hotel man, Los Angeles; **Charles S. Jones,** oilman, Pasadena (two dinners); **Roger D. Lapham,** businessman, San Francisco; **George M. Mardikian,** restaurateur, San Francisco; **Norman L. McLaren,** businessman, San Francisco; **George L. Murphy,** actor, Beverly Hills; **James L. Murphy,** chairman, Citizens for Eisenhower Congressional Committee, San Francisco; **Kyle Palmer,** editor, Los Angeles; **Kenneth D. Wells,** foundation head, Corona del Mar; **Darryl F. Zanuck,** motion pictures, Santa Monica; **James D. Zellerbach,** corporation executive, San Francisco.

COLORADO

Harry M. Anholt, hotel man, Denver; **Leslie B. Arnold,** real estate, Denver; **Ralph R. Arnold,** professional golfer, Denver; **Richard W. Braun,** businessman, Denver; **E. J. Campbell,** businessman, Denver; **John A. Culbreath,** insurance, Denver; **Joe G. Dyer,** businessman, Denver; **William W. Flenniken,** oilman, Denver; **Jack Foster,** editor, Denver; **David G. Gordon,** contractor, Denver; **Palmer Hoyt,** publisher, Denver; **Fred M. Manning, Jr.,** businessman, Denver.

Jack E. Manning, businessman, Denver; **Robert L. Manning,** businessman, Denver; **Lewis B. Maytag,** retired manufacturer, Colorado Springs; **L. F. McCollum,** oilman, Denver; **Aksel Nielson,** banker, Denver (two dinners); **Carl A. Norgren,** manufacturer, Denver; **Marshall F. Norling,** manufacturer, Littleton; **Allan R. Phipps,** attorney, Denver; **Alvin Schrepferman,** contractor, Denver; **Norman H. Smith,** cattle breeder, Larkspur; **Bal F. Swan,** rancher; **Dan Thornton,** former Governor, Gunnison; **Stanley M. Wright,** businessman, Denver.

CONNECTICUT

H. Mead Alcorn, attorney, Suffield; **Joseph P. Binns,** hotel man, Darien; **Albert Bradley,** corporation executive, Greenwich (two dinners); **James F. Brownlee,** businessman, Fair-

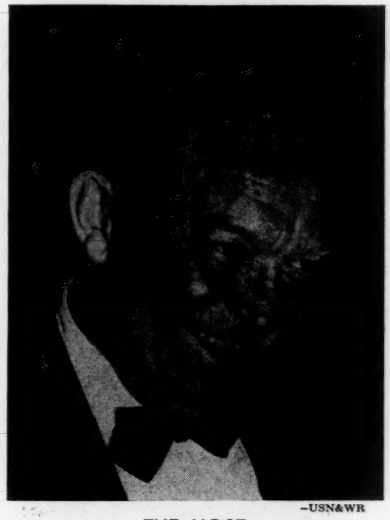
dent of the United States has asked their opinions.

Financiers get the feeling that they are a part of the Government. Businessmen glimpse policies in the making. Farm and labor leaders get a chance to speak their minds. Educators tell their problems to the President in person. Editors, publishers, commentators get a sense of being on the inside of news in the making. Republican politicians can urge the President toward a second term.

All of them can go home and tell their friends: "I told Ike . . ." And some of them did. Or, more often, it is: "The President told me . . ." And it may be that he did. In the top levels of leadership across the country, hundreds of men are getting a prized evening at the White House in the company of their President.

This is tending to give them a personal interest in keeping Mr. Eisenhower in the White House. It helps them to forget the money they spent and the work they did to put him there. It softens the blow when they learn that the job or the law that they wanted does not fit into his program. It puts them in a mood to go out and work for his election again in 1956.

Some unhappiness. The President is finding that the stag dinner is not a foolproof device. The state dining room cannot hold all of the people who think they ought to be invited. Those not on the guest list wonder why they were omitted when they see the names of competitors there. Labor leaders suspect industrialists are getting a better break. Other groups sense snubs. Republican women, incensed that only men can reach the ear of the President, already have put on enough pressure to cause Mr. Eisenhower to meet with them at a series of breakfasts.



—USN&WR

THE HOST

The stag dinner is a major production. Tentative guest lists come from many sources and are made up weeks in advance. Names are collected by the secretarial staff. The President jots down the names of friends. White House aides, Republican politicians, personal friends of the President suggest others.

Now and then the President will write on the list a name that no one on the White House staff has heard before. It turns out to be an old friend of the President who has hinted that it would be a fine thing if he could be invited to a stag dinner. Mr. Eisenhower seldom turns down such a request.

Word that some celebrity has been offended because his name has not been on a dinner list usually brings a fairly prompt invitation. One of the main reasons for holding the dinners is to win friends for the Administration. No one at the White House wants the plan to backfire.

From far and near. In making up the list, an effort is made to invite those who live a long way from Washington at a time when their business is to bring them in the neighborhood. This does not always work out. There are guests who have flown thousands of miles to attend one of the dinners.

White House aides are fully aware of the fact that some guests have tried to use their visits to the Executive Mansion to help business. They boast about their invitations in their home communities.

And the President knows the impor-

field; **Bernard F. Gimbel,** merchant, Greenwich; **Stanley High,** editor, Noroton; **Albert C. Jacobs,** educator, Hartford.

Joseph H. King, banker, Greenwich; **John Davis Lodge,** former Governor, Westport; **Robert R. Mathews,** businessman, Greenwich; **Thomas F. O'Neill,** radio executive, Greenwich; **Stanley Resor,** advertising, Greenwich; **Juan T. Trippe,** airlines, Greenwich; **Gene Tunney,** former boxer, Stamford; **Arthur K. Watson,** businessman, New Canaan; **Thomas J. Watson, Jr.,** businessman, Greenwich.

DELAWARE

Herbert P. Warburton, former Representative, Wilmington.

DISTRICT OF COLUMBIA

Martin Agronsky, radio commentator; **Floyd D. Akers,** auto dealer; **George E. Allen,** attorney (two dinners); **A. A. Alexander,** contractor; **Marvin L. Arrowsmith,** correspondent; **Col. Thomas M. Belshe (Ret.); James C. Black,** steel executive; **Herbert C. Blunck,** hotel man; **E. M. Burnham,** businessman; **Vannevar Bush,** educator; **Robert Clark,** correspondent; **Robert J. Donovan,** correspondent; **LeRoy Eakin,** father-in-law of Milton Eisenhower; **LeRoy Eakin, Jr.;** the **Rev. Edward L. R. Elson,** the President's pastor.

Robert V. Fleming, banker; **Richard J. Gray,** union official; **Arthur M. Hill,** transportation; **Eric A. Johnston,** motion pictures; **Adm. Alan G. Kirk, (Ret.)** former Ambassador; **James H. Lemon,** investments; **John L. Lewis,** union official; **Frank M. Ludwick,** attorney; the **Rev. Paul A. McNally,** educator; **Eugene Meyer,** newspaper executive; **Col. G. Gordon Moore,** the President's brother-in-law; **George A. Norkan, Jr.,** attorney; **Herschel Newsom,** master, the National Grange; **Archbishop Patrick A. O'Boyle; William D. Pawley,** businessman; **Bishop Fulton J. Sheen; Merriman Smith,** correspondent; **Samuel Spencer,** city official; **Charles H. Tompkins,** contractor.

FLORIDA

G. T. Baker, airlines, Miami; **Jerry D. Brandon,** retired businessman, Fort Myers; **Arthur H. Vandenberg,** educator, Miami.

GEORGIA

Ed Dudley, professional golfer, Augusta; **Jerome A. Franklin,** retired businessman, Augusta; **T. Richard Garlington,** real estate, Atlanta; **Robert T. (Bobby) Jones, Jr.,** amateur golfer, Atlanta; **Ralph E. McGill,** editor, Atlanta; **Elbert P. Peabody,** banker, Augusta; **Julian H. Roberts,** businessman, Augusta; **Robert W. Woodruff,** manufacturer, Atlanta (two dinners); **Charles Yates,** cotton broker, Atlanta; **W. H. Zimmerman,** businessman, Columbus.

IDAHO

None.

ILLINOIS

Maxwell Abbell, attorney, Chicago; **Douglas Casey,** businessman, Chicago; **James S. Copley,** publisher, Aurora; **Nathan Cummings,** businessman, Chicago; **John F. Fennelly,** banker, Lake Forest; **Frederick M. Gillies,** industrialist, Flossmoor; **Fred G. Gurley,** railways, Winnetka; **Charles M. Hines,**

WHAT GOES ON AT IKE'S DINNERS

President Puts Old-Time Cracker-Barrel Idea to Work

"I told the President . . ."

A lot of people actually did tell Mr. Eisenhower—at stag dinners attended by hundreds of businessmen, labor leaders, publishers and politicians.

These dinners bring the President new ideas. They also give to people whose influence counts in elections the feeling that they are playing a part in the Government. And the effects may induce Ike to run again.

President Eisenhower is turning the White House stag dinner into an important political institution. With it, he is paying off campaign debts, checking reaction to his program and paving the way to a try for a second term.

What is happening is this: Mr. Eisenhower finds that the state dining room at the White House can be turned into a great political asset. It has been used in that way by other Presidents, but none has done so with such practiced efficiency.

Mr. Eisenhower is using the stag dinner to learn what people think of his program. He is gathering information at first hand about national conditions. He is checking the advice of his aides against other opinions. He is widening his personal friendships with industrial leaders, businessmen, editors, publishers, farm and labor men, many groups. And he is sounding out opinion about a second term in the White House.

Good-will builder. The President is discovering that a dinner at the White House, and an evening of relaxed talk in the company of the Chief Executive, sends the guests away with a glow of importance. Those who have put money and work into political campaigns go away feeling that they have had a hand in shaping national policies. The Presi-

THE MEN WHO CAME TO DINNER

These are the men President Eisenhower invited to 38 stag dinners at the White House, not including members of his staff and other Government officials:

ALABAMA

Winton M. Blount, contractor, Montgomery; **Frederick D. Patterson,** educator, Tuskegee.

ARIZONA

None.

ARKANSAS

Winthrop Rockefeller, investment management, Little Rock.

CALIFORNIA

Jack B. Beardwood, businessman, Los Angeles; **Welton Becket,** architect, Los Angeles; **Jack B. Black,** utilities, San Francisco; **Harry C. Butcher,** radio enterprises, Santa Barbara; **Norman Chandler,** publisher, Los Angeles; **Henry DeWard Collier,** oilman, San Francisco; **Justin W. Dart,** businessman, Los Angeles; **Lee Alvin DuBridge,** educator, Pasadena; **Robert Di Giorgio,** businessman, San Francisco; **Samuel Goldwyn,** motion pictures, Beverly Hills; **Freeman F. Gosden,** radio producer, Los Angeles; **Paul H. Helms,** businessman, Los Angeles; **Stanley Hiller, Jr.,** manufacturer, Atherton.

Conrad N. Hilton, hotel man, Los Angeles; **Charles S. Jones,** oilman, Pasadena (two dinners); **Roger D. Lapham,** businessman, San Francisco; **George M. Mardikian,** restaurateur, San Francisco; **Norman L. McLaren,** businessman, San Francisco; **George L. Murphy,** actor, Beverly Hills; **James L. Murphy,** chairman, Citizens for Eisenhower Congressional Committee, San Francisco; **Kyle Palmer,** editor, Los Angeles; **Kenneth D. Wells,** foundation head, Corona del Mar; **Darryl F. Zanuck,** motion pictures, Santa Monica; **James D. Zellerbach,** corporation executive, San Francisco.

COLORADO

Harry M. Anholt, hotel man, Denver; **Leslie B. Arnold,** real estate, Denver; **Ralph R. Arnold,** professional golfer, Denver; **Richard W. Braun,** businessman, Denver; **E. J. Campbell,** businessman, Denver; **John A. Culbreath,** insurance, Denver; **Joe G. Dyer,** businessman, Denver; **William W. Flenniken,** oilman, Denver; **Jack Foster,** editor, Denver; **David G. Gordon,** contractor, Denver; **Palmer Hoyt,** publisher, Denver; **Fred M. Manning, Jr.,** businessman, Denver.

Jack E. Manning, businessman, Denver; **Robert L. Manning,** businessman, Denver; **Lewis B. Maytag,** retired manufacturer, Colorado Springs; **L. F. McCollum,** oilman, Denver; **Aksel Nielson,** banker, Denver (two dinners); **Carl A. Norgren,** manufacturer, Denver; **Marshall F. Norling,** manufacturer, Littleton; **Allan R. Phipps,** attorney, Denver; **Alvin Schrepferman,** contractor, Denver; **Norman H. Smith,** cattle breeder, Larkspur; **Bal F. Swan,** rancher; **Dan Thornton,** former Governor, Gunnison; **Stanley M. Wright,** businessman, Denver.

CONNECTICUT

H. Mead Alcorn, attorney, Suffield; **Joseph P. Binns,** hotel man, Darien; **Albert Bradley,** corporation executive, Greenwich (two dinners); **James F. Brownlee,** businessman, Fair-

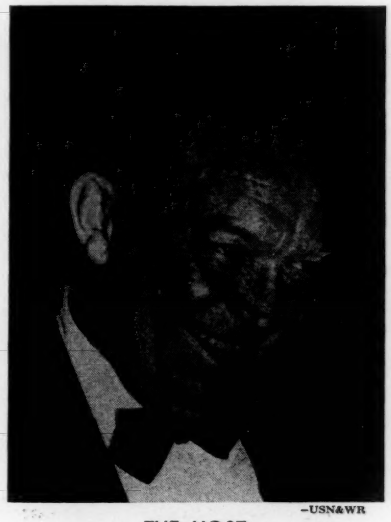
dent of the United States has asked their opinions.

Financiers get the feeling that they are a part of the Government. Businessmen glimpse policies in the making. Farm and labor leaders get a chance to speak their minds. Educators tell their problems to the President in person. Editors, publishers, commentators get a sense of being on the inside of news in the making. Republican politicians can urge the President toward a second term.

All of them can go home and tell their friends: "I told Ike . . ." And some of them did. Or, more often, it is: "The President told me . . ." And it may be that he did. In the top levels of leadership across the country, hundreds of men are getting a prized evening at the White House in the company of their President.

This is tending to give them a personal interest in keeping Mr. Eisenhower in the White House. It helps them to forget the money they spent and the work they did to put him there. It softens the blow when they learn that the job or the law that they wanted does not fit into his program. It puts them in a mood to go out and work for his election again in 1956.

Some unhappiness. The President is finding that the stag dinner is not a foolproof device. The state dining room cannot hold all of the people who think they ought to be invited. Those not on the guest list wonder why they were omitted



–USN&WR

THE HOST

when they see the names of competitors there. Labor leaders suspect industrialists are getting a better break. Other groups sense snubs. Republican women, incensed that only men can reach the ear of the President, already have put on enough pressure to cause Mr. Eisenhower to meet with them at a series of breakfasts.

The stag dinner is a major production. Tentative guest lists come from many sources and are made up weeks in advance. Names are collected by the secretarial staff. The President jots down the names of friends. White House aides, Republican politicians, personal friends of the President suggest others.

Now and then the President will write on the list a name that no one on the White House staff has heard before. It turns out to be an old friend of the President who has hinted that it would be a fine thing if he could be invited to a stag dinner. Mr. Eisenhower seldom turns down such a request.

Word that some celebrity has been offended because his name has not been on a dinner list usually brings a fairly prompt invitation. One of the main reasons for holding the dinners is to win friends for the Administration. No one at the White House wants the plan to backfire.

From far and near. In making up the list, an effort is made to invite those who live a long way from Washington at a time when their business is to bring them in the neighborhood. This does not always work out. There are guests who have flown thousands of miles to attend one of the dinners.

White House aides are fully aware of the fact that some guests have tried to use their visits to the Executive Mansion to help business. They boast about their invitations in their home communities.

And the President knows the impor-

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field; **Bernard F. Gimbel,** merchant, Greenwich; **Stanley High,** editor, Noroton; **Albert C. Jacobs,** educator, Hartford.

Joseph H. King, banker, Greenwich; **John Davis Lodge,** former Governor, Westport; **Robert R. Mathews,** businessman, Greenwich; **Thomas F. O'Neill,** radio executive, Greenwich; **Stanley Resor,** advertising, Greenwich; **Juan T. Trippe,** airlines, Greenwich; **Gene Tunney,** former boxer, Stamford; **Arthur K. Watson,** businessman, New Canaan; **Thomas J. Watson, Jr.,** businessman, Greenwich.

DELAWARE

Herbert P. Warburton, former Representative, Wilmington.

DISTRICT OF COLUMBIA

Martin Agronsky, radio commentator; **Floyd D. Akers,** auto dealer; **George E. Allen,** attorney (two dinners); **A. A. Alexander,** contractor; **Marvin L. Arrowsmith,** correspondent; **Col. Thomas M. Belshe (Ret.); James C. Black,** steel executive; **Herbert C. Blunck,** hotel man; **E. M. Burnham,** businessman; **Vannevar Bush,** educator; **Robert Clark,** correspondent; **Robert J. Donovan,** correspondent; **LeRoy Eakin,** father-in-law of Milton Eisenhower; **LeRoy Eakin, Jr.;** the **Rev. Edward L. R. Elson,** the President's pastor.

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IDAHO

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ILLINOIS

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tance that is given to what he says by many of his guests. He is careful about his words, skillful at evading dangerous ground. This skill was developed during a war when the wrong word from the commanding general might cost lives.

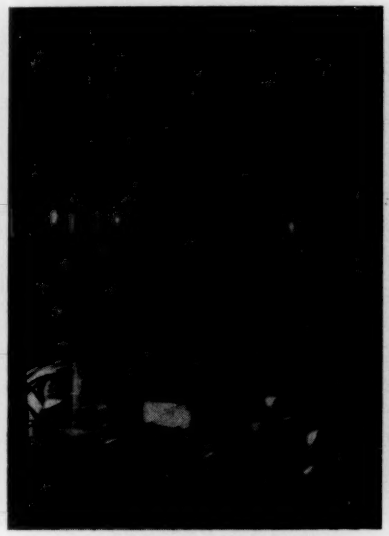
Yet the President has verged upon subjects at the dinners that White House aides refuse to discuss. He has mentioned that a meeting with his old comrade-at-arms, Russian Marshal Georgi Zhukov, might be worth while. Aides shy away from such talk. They fear it might be interpreted that the President is planning a conference with the Russians.

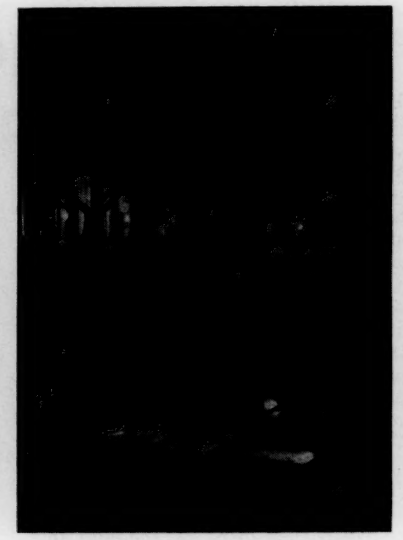
The dinners follow about the same course each time. Around 15 guests, on the average, assemble at 7:30. They are greeted by the President as they enter. He introduces them around, breaks the ice, gets the conversation to moving. The group goes in to dinner at 8 o'clock.

Fine foods. Mr. Eisenhower selects the dinner menu himself, picking choice items that come in as gifts from personal friends and admirers. The President decides, personally, which of the food are to be reserved for the stag dinners. This brings to the table such things as Alaska salmon, Texas pheasant, mandarin duck, fine turkeys and steaks.

The conversation at the table usually is light. Guests talk to companions on either side. The President mentions a few topics he would like to discuss. As the evening moves on, he may ask each guest, in turn, for his views.

Usually, the guests are ready to talk. Their invitations have informed them that they are expected to contribute to the conversation. One White House dinner guest confided that he had "read up" on a number of topics before going to one of the stag affairs.





FROM FACTORIES, FROM FARMS, FROM CAMPUSES . . .

There are times when the President does a great deal of talking. At other times, when the conversation is flowing easily, he may sit back and listen for most of the evening. At recent dinners, he has done a great deal of talking.

The second-term question. When the guests and the talk are largely political, the inevitable question about a

. . . MORE MEN WHO CAME TO DINNER

lumberman, Winnetka; **Morton H. Hollingsworth,** Republican State chairman, Joliet; **William D. Kerr,** businessman, Chicago; **Meyer Kestnbaum,** merchant, Chicago.

John L. McCaffrey, manufacturer, Chicago; **John M. Olin,** businessman, East Alton; **Spencer T. Olin,** businessman, East Alton; **W. A. Patterson,** airlines, Northbrook; **Burton F. Peek,** manufacturer, Moline; **Charles H. Percy,** businessman, Kenilworth; **George A. Poole,** businessman, Chicago; **William W. Prince,** businessman, Chicago; **Edward L. Ryerson,** manufacturer, Chicago (two dinners); **George J. Spatuzza,** attorney, Chicago; **Charles Arthur Tilt,** businessman, Chicago; **Merle J. Trees,** businessman, Chicago.

INDIANA

Alvin C. Cast, Republican State chairman, Kentland; **M. A. Hutcheson,** union official, Milan; **Frank Leahy,** former football coach, South Bend; **Ernest Rose Lee,** businessman, Indianapolis; **Eugene C. Pulliam,** publisher, Indianapolis (two dinners); **Harold S. Vance,** manufacturer, South Bend.

IOWA

Allan B. Kline, former Farm Bureau official, Vinton; **Don C. Pierson,** Republican State chairman, Humboldt.

KANSAS

Harry Darby, Republican National Committeeman, Kansas City; **Maj. John S. D. Eisenhower,** the President's son, Fort Leavenworth; **J. Earl Endacott,** Eisenhower Foundation official, Abilene; **Emmett S. Graham,** Eisenhower Foundation official, Abilene; **Sam R. Heller,** Eisenhower Foundation official, Abilene; **Franklin D. Murphy,** educator, Lawrence; **J. Earl Schaefer,** businessman, Wichita.

KENTUCKY

None.

LOUISIANA

John Minor Wisdom, Republican National Committeeman, New Orleans.

MAINE

Fred C. Scribner, Jr., attorney, Portland.

MARYLAND

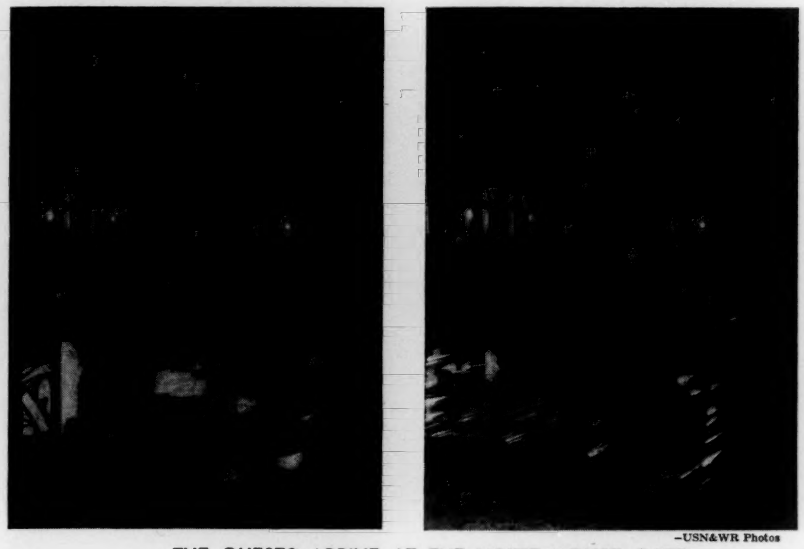
Vice Adm. C. Turner Joy, Annapolis; **George Meany,** union official, Bethesda.

MASSACHUSETTS

James Phinney Baxter III, educator, Williamstown; **Ralph H. Bonnell,** banker, Winchester; **Erwin D. Canham,** editor, Boston; **Karl T. Compton,** physicist, Boston; **Russell Davenport,** author, Great Barrington; **Erwin N. Griswold,** educator, Cambridge; **Nathan M. Pusey,** educator, Cambridge; **Clarence J. Schoo,** manufacturer, Springfield (two dinners); **Joseph P. Spang, Jr.,** manufacturer, Milton.

MICHIGAN

Homes Bannard, businessman, Detroit; **Robert L. Biggers,** businessman, Birmingham; **Ernest R. Breech,** businessman, Bloomfield Hills; **Harlow H. Curtice,** auto manufacturer,



—USN&WR Photos

. . . THE GUESTS ARRIVE AT THE WHITE HOUSE GATE

WHO DINES WITH IKE

Guests for 38 dinners:

- 294 businessmen
- 81 Administration officials
- 51 editors, publishers and writers
- 30 educators
- 23 Republican Party leaders
- 18 scientists, artists, sportsmen, etc.
- 16 old friends from military days
- 10 heads of foundations or charities
- 9 farmers and farm leaders
- 8 union officials
- 6 church leaders
- 5 Eisenhower relatives
- 4 State and local officials

second term is sure to arise. Toward the end of the dinner, a guest will say: "Mr. President, we want you for a second term." Or one of the visitors may speak of a "certain problem." The President grins and the talk is under way.

"These dinners all start off the same way," says one guest. "When they get down to serious conversation somebody will mention a second term. Then they start pressing him to run. The President, of course, never gives them a direct answer. He starts expounding his philosophy. The President says he is a good conservative, but that he believes a good conservative does not stand still."

Mr. Eisenhower may talk for 10 or 15 minutes without interruption about his political philosophy, and about the need for young men to come into the Republican Party to help him achieve his goals.

At one dinner, the President began talking about how old he would be at the end of a second term. A guest quoted the President as saying that 70 years is old when measured as calendar years, but that it is how old a man is in spirit

Flint; **John Feikens,** Republican State chairman, Detroit; **Henry Ford II,** auto manufacturer, Grosse Pointe; **B. Edwin Hutchinson,** retired businessman, Grosse Pointe; **K. T. Keller,** auto manufacturer, Detroit; **John S. Knight,** editor, Detroit; **Charles F. Moore, Jr.,** public relations, Bloomfield Hills; **Donald M. Mumford,** hotel man, Detroit; **Walter P. Reuther,** union official, Detroit; **James B. Webber, Jr.,** businessman, Grosse Pointe.

MINNESOTA

Harry A. Bullis, businessman, Minneapolis; **John C. Cornelius,** advertising, Minneapolis; **John Cowles,** publisher, Minneapolis; **F. Peavey Heffelfinger,** Republican Party official, Wayzata; **Dr. Charles W. Mayo,** surgeon, Rochester; **J. Bradshaw Mintener,** businessman, Minneapolis.

MISSISSIPPI

E. O. Spencer, hotel man, Jackson.

MISSOURI

Arthur K. Atkinson, railway executive, St. Louis; **David R. Calhoun, Jr.,** banker, St. Louis; **Willard R. Cox,** businessman, St. Louis; **Joyce C. Hall,** manufacturer, Kansas City; **George C. Hannaway,** businessman, St. Louis; **Roscoe C. Hoobs,** businessman, St. Louis; **Marion L. J. Lambert,** businessman, St. Louis; **Barak T. Mattingly,** former National Committeeman, St. Louis; **James S. McDonnell, Jr.,** aircraft manufacturer, Clayton; **Roy A. Roberts,** newspaper executive, Kansas City; **Charles A. Thomas,** businessman, St. Louis.

MONTANA

Thomas D. Campbell, wheat and cattle, Hardin.

NEBRASKA

Raymond A. McConnell, Jr., editor, Lincoln; **Charles S. Reed,** attorney, Omaha; **Arthur J. Weaver,** businessman, Lincoln.

NEVADA

Edmund Converse, airlines executive, Las Vegas.

NEW HAMPSHIRE

Robert P. Burroughs, businessman, Manchester; **William G. Saltonstall,** educator, Exeter; **Frank J. Sulloway,** Republican National Committeeman, Concord; **Louis Van N. Washburn,** retired businessman, Center Ossipee.

NEW JERSEY

Clifford P. Case, former Representative, now Senator, Rahway; **Edward S. Corwin,** educator, Princeton; **Cleo F. Craig,** businessman, Ridgewood; **Harold W. Dodds,** educator, Princeton; **M. Hartley Dodge,** manufacturer, Madison; **William H. Jackson,** banker, Princeton; **Milton Katz,** foundation official, Princeton; **George W. Merck,** manufacturer, West Orange; **Winston Paul,** businessman, Montclair; **Richard B. Scudder,** publisher, Newark.

NEW MEXICO

None.

Ike Gets Women's Views—At Breakfast

In addition to his dinners for men, President Eisenhower now has booked a series of breakfasts for women.

Five such events have been set up by the Republican National Committee. They run from 8 till 9:30 a.m. The President, as honor guest, does little talking and a lot of listening.

Women from all parts of the country are giving him their views on politics, foreign affairs, farm problems, other things. The first guest lists are dominated by women who are prominent in political affairs.

The breakfasts pose a new question for the President: Will the women who are not invited complain as loudly as do the men who don't get on the lists?

—United Press

AT THE FIRST BREAKFAST
Miss Bertha Adkins (left) and Mrs. Edna B. Donald, of the Republican National Committee

that counts. The guest said the President added that 70 years doesn't mean as much now as it once did, implying that 70-year-old people are more active than they once were.

At other times, the President has given a little private lecture to those guests who ask if he will run again. He has not replied to their question, but he has told them that the Republican Party should not gamble too much on the future of any individual. He says there is no such thing as an "indispensable man."

Then Mr. Eisenhower proceeds to count off the names of those whom he calls "good young men" from whom the party might pick an alternate candidate. On the list he includes Vice President Richard M. Nixon; Senator William F. Knowland, of California; Attorney General Herbert Brownell, Jr.; Harold E. Stassen, Director of Foreign Operation Administration; Senator Clifford P. Case, of New Jersey, and several Republican Governors.

The listening guests are not too much impressed with the presidential arguments. They tell each other that it has not been demonstrated that any of these other men could be elected President—and Mr. Eisenhower has been.

When political names appear on the guest lists—which are approved by the President—politics automatically becomes the chief topic of conversation for that evening.

The President's willingness to listen to an evening of talk about politics is regarded by his friends as a clue to his answer to the second-term question. They ask: If he is not interested in a second term, why does he allow politicians to help develop the guest lists? And why does he permit the stag dinner to be turned into a political forum?

Gracious host. After dinner, the guests move out of the state dining room to other rooms. They may gather in little groups, or cluster about the President. Anyone who wants a chance to talk with the President gets it. Usually, the dinners end around 11 p.m., although a few have lasted until midnight.

There is likely to be a personally conducted tour of the guests around the White House with the President pointing out the White House paintings, and his own mementos in his study. "The President seems to get as much of a kick out

(Continued on page 40)

. . . MORE MEN WHO CAME TO DINNER

NEW YORK

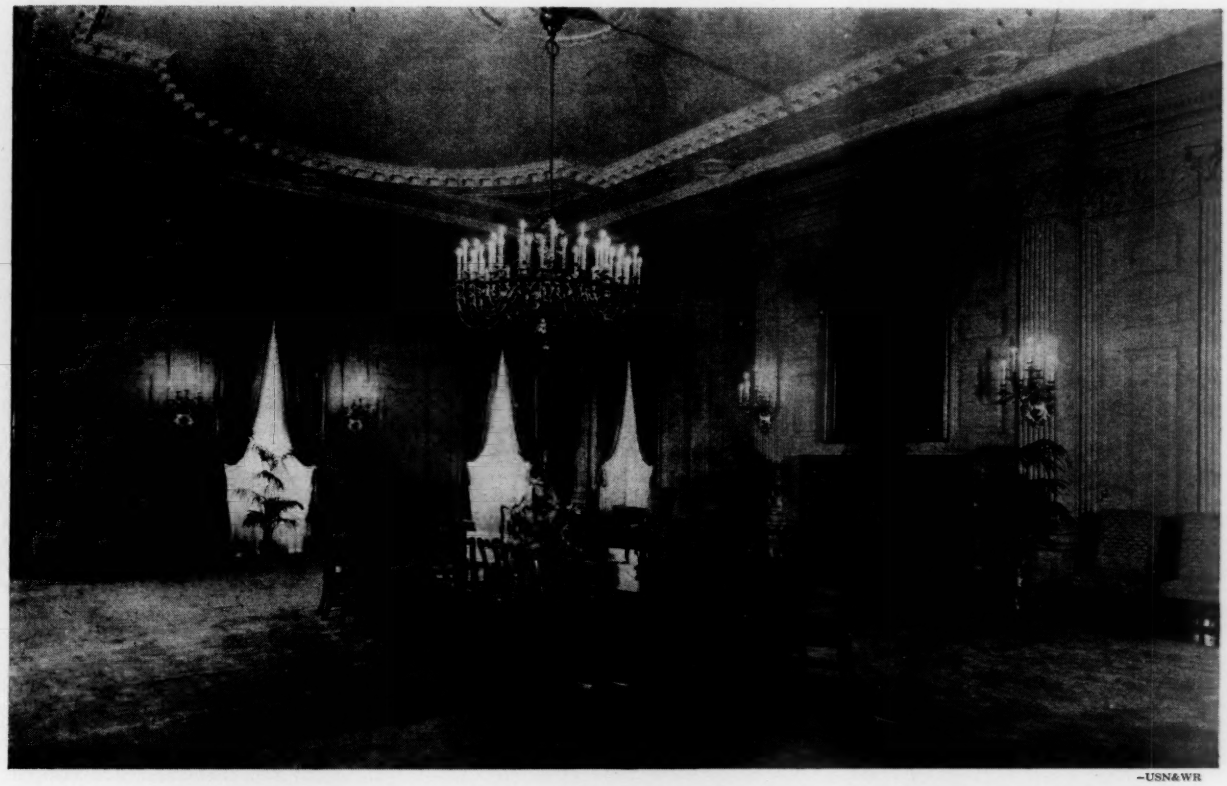
Frank W. Abrams, oilman, Mattituck; **Julius Ochs Adler,** newspaper executive, N.Y.C.; **Henry C. Alexander,** banker, Katonah; **Edward Anthony,** publisher, N.Y.C.; **Charles C. Auchincloss,** broker, N.Y.C.; **Hugh Baillie,** news-service executive, N.Y.C.; **Barney Balaban,** motion pictures, Rye; **Robert R. Barry,** businessman, N.Y.C.; **Bernard M. Baruch,** businessman, N.Y.C.; **Elliott V. Bell,** editor and publisher, N.Y.C.; **Irving Berlin,** composer, N.Y.C.; **Col. Herman Beukema,** educator, West Point; **C. R. Black, Jr.,** insurance man, N.Y.C.

Douglas M. Black, publisher, N.Y.C.; **Earl Henry Blaik,** athletic director, West Point; **T. Gerrold Brice,** businessman, N.Y.C.; **Thomas D'Arcy Brophy,** advertising, Scarsdale; **Walker Gentry Buckner,** banker, N.Y.C.; **Wilkie Bushby,** attorney, N.Y.C.; **Everett Case,** educator, Hamilton; **Maj. Gen. Hugh J. Casey (Ret.),** city official, N.Y.C.; **Lawrence H. Chamberlain,** educator, N.Y.C.; **Robert K. Christenberry,** hotel man, N.Y.C.; **Edwin N. Clark,** public relations, N.Y.C.; **Gen. Lucius D. Clay (Ret.),** businessman, N.Y.C. (three dinners); **A. L. Cole,** publisher, N.Y.C.; **George V. Cooper,** manufacturer, N.Y.C.; **Gardner Cowles,** publisher, N.Y.C.; **Lieut. Gen. Willis D. Crittenberger (Ret.),** N.Y.C.

Howard S. Cullman, port executive, N.Y.C.; **Ralph S. Damon,** airlines executive, Garden City; **John W. Davis,** attorney, Locust Valley; **Thomas E. Dewey,** former Governor, N.Y.C.; **Morse G. Dial,** corporation executive, Bronxville; **Clarence Dillon,** banker, N.Y.C.; **Frank J. Donohue,** accountant, N.Y.C.; **Lieut. Gen. James H. Doolittle (Ret.),** businessman, N.Y.C.; **Bernard C. Duffy,** advertising, Rye; **Alvin Carr Eaton,** businessman, N.Y.C.; **Victor Emanuel,** corporation executive, N.Y.C.; **F. J. Emmerich,** businessman, N.Y.C.; **Carl M. Fishel,** businessman, N.Y.C.; **Frank M. Folsom,** radio executive, N.Y.C.; **J. Russell Forgan,** investments, N.Y.C.; **Clarence Francis,** corporation executive, Bronxville; **Francis M. Flynn,** newspaper executive, N.Y.C.; **Irving Geist,** retired businessman, N.Y.C.; **Walter S. Gifford,** businessman, North Castle.

Eli Ginzberg, educator, N.Y.C.; **Emanuel Goldman,** businessman, N.Y.C.; **J. Gould,** businessman, N.Y.C.; **Joseph P. Grace, Jr.,** steamship line, N.Y.C.; **Isaac B. Grainger,** banker, N.Y.C.; **Leonard W. Hall,** Chairman Republican National Committee, Oyster Bay (four dinners); **Edwin K. Hastings,** hotel man, N.Y.C.; **William R. Hearst, Jr.,** editor, N.Y.C.; **John L. Hennessy,** hotel man, N.Y.C.; **G. Howard Hodge,** businessman, N.Y.C.; **Herbert Hoover,** former President, N.Y.C.; **Armory Houghton,** manufacturer, Corning; **Walter Hoving,** merchant, N.Y.C.; **Roy W. Howard,** editor and publisher, N.Y.C.; **John M. Hudinger,** banker, N.Y.C.; **Maj. Gen. Frederick A. Irving,** educator, West Point; **John N. Irwin II,** businessman, N.Y.C.; **John G. Jackson,** attorney, N.Y.C. (two dinners); **Sidney R. Jackson,** businessman, N.Y.C.; **Brig. Gen. Harris Jones,** educator, West Point.

W. Alton Jones, businessman, N.Y.C. (two dinners); **Grayson L. Kirk,** educator, N.Y.C.; **William L. Kleitz,** banker, Rye; **William E. Knox,** businessman, Scarsdale; **John A. Krout,** educator, N.Y.C.; **Edward D. Lane,** businessman, N.Y.C.; **Sigurd S. Larmon,** advertising, Scarsdale; **Roy E. Larsen,** publisher, N.Y.C.; **Justus B. L. Lawrence,** public relations, N.Y.C.; **Robert Lehman,** banker, N.Y.C.; **Samuel D. Leides-**



—USN&WR

THE STATE DINING ROOM: HERE MR. EISENHOWER SERVES MENUS OF HIS OWN CHOOSING

dorf, accountant, N.Y.C.; **Barry T. Leithead,** businessman, Scarsdale (two dinners); **Leroy A. Lincoln,** insurance, N.Y.C.; **Lou Little,** football coach, N.Y.C.; **Samuel Lubell,** writer, N.Y.C.; **Henry R. Luce,** editor and publisher, N.Y.C.; **Gen. Douglas MacArthur,** businessman, N.Y.C.; **David H. Marx,** manufacturer, N.Y.C.; **Louis Marx,** manufacturer, N.Y.C.; **Paul M. Mazur,** banker, N.Y.C.; **Charles V. McAdam,** newspaper executive, Rye.

John J. McCloy, banker, N.Y.C. (two dinners); **Joseph H. McConnell,** businessman, Bronxville; **John R. (Tex.) McCrary Jr.,** radio entertainer, N.Y.C. (two dinners); the **Rev. Laurence J. McGinley,** educator, N.Y.C.; **H. T. Merrill,** airlines pilot, N.Y.C.; **William I. Myers,** educator, Ithaca; **Robert Montgomery,** television producer, N.Y.C.; **Maurice T. Moore,** attorney, N.Y.C.; **Junius S. Morgan,** banker, Glen Cove; **Malcolm Muir,** publisher, N.Y.C.; **Robert Mullen,** television, Scarsdale; **Msgr. George G. Murdock,** Mt. Vernon; **William I. Nichols,** editor, N.Y.C.; **Louis A. Novins,** foundation head, Scarsdale; **Arthur W. Page,** businessman, N.Y.C.; **William S. Paley,** radio executive, N.Y.C.; **Thomas A. Pappas,** exporter, N.Y.C.; **Morehead Patterson,** industrialist, N.Y.C.; **Bayard F. Pope,** banker, N.Y.C.; **Albert W. Putnam,** businessman, N.Y.C.; **Isidor I. Rabi,** physicist, N.Y.C.

Philip D. Reed, industrialist, Rye (two dinners); **Ralph T. Reed,** businessman, N.Y.C.; **Whitelaw Reid,** editor, N.Y.C.; **Edward V. Rickenbacker,** airlines, N.Y.C.; **William Edward Robinson,** publisher, N.Y.C. (two dinners); **William E. Robinson,** businessman, N.Y.C. (two dinners); **Clifford Roberts,** banker, N.Y.C. (two dinners); **David Rockefeller,** banker, N.Y.C.; **John D. Rockefeller III,** foundation head, N.Y.C.; **Laurance S. Rockefeller,** businessman, N.Y.C.; **John A. Roosevelt,** businessman, N.Y.C.; **Kenneth C. Royall,** attorney, N.Y.C.; **William F. Russell,** educator, N.Y.C.; **Charles E. Saltzman,** businessman, N.Y.C.; **David Sarnoff,** radio executive, N.Y.C.; **Francis L. Schwartz,** exporter, N.Y.C.; **Henry Sears,** banker, N.Y.C.; **Eustace Seligman,** attorney, N.Y.C.; **Ellis D. Slater,** businessman, N.Y.C.; **George A. Sloan,** businessman, N.Y.C.

C. R. Smith, airlines, N.Y.C.; **Thor M. Smith,** magazine executive, N.Y.C.; **Marty Snyder,** investments, N.Y.C.; **Francis Cardinal Spellman,** N.Y.C.; **Frank Stanton,** radio, N.Y.C.; **Thomas E. Stephens,** artist, N.Y.C.; **Jack I. Straus,** merchant, N.Y.C.; **Roger W. Straus,** businessman, N.Y.C.; **Arthur H. Sulzberger,** publisher, N.Y.C.; **Herbert Bayard Swope,** journalist, N.Y.C.; **Walter N. Thayer,** attorney, N.Y.C.; **Alfred G. Vanderbilt,** investments, N.Y.C.; **Harold S. Vanderbilt,** businessman, N.Y.C.; **DeWitt Wallace,** publisher, Mount Kisco; **Paul Felix Warburg,** banker, N.Y.C.; **George E. Warren,** banker, N.Y.C.; **Thomas J. Watson,** businessman, N.Y.C.; **Lieut. Gen. Albert C. Wedemeyer,** businessman, N.Y.C.; **Sidney J. Weinberg,** banker, Scarsdale.

George Whitney, banker, Westbury; **John Hay Whitney,** financier, N.Y.C.; **Cornelius W. Wickersham,** attorney, N.Y.C.; **Frank A. Willard,** businessman, Scarsdale; **Paul S. Willis,** businessman, Bronxville; **Charles Edward Wilson,** businessman, N.Y.C.; **Matthew Woll,** union official, N.Y.C.; **Howard Young,** businessman, N.Y.C.; **Owen D. Young,** industrialist, N.Y.C.; **Frederick A. Zaghi,** advertising, N.Y.C.

NORTH CAROLINA

Gordon Gray, educator, Chapel Hill; **Lieut. Gen. Robert L.**

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Eichelberger (Ret.), Asheville; **Reuben B. Robertson, Jr.,** businessman, Flat Rock; **Earl F. Slick,** airlines, Reynolda.

NORTH DAKOTA

None.

OHIO

Warren Bicknell, Jr., businessman, Willoughby; **Paul Block, Jr.,** publisher, Toledo; **Ray C. Bliss,** Republican National Committeeman, Akron; **Harold Boeschenstein,** manufacturer, Perrysburg; **Clarence J. Brown,** Congressman, Blanchester; **Guy J. Brown,** union official, Cleveland; **Wright Bryan,** editor, Cleveland; **Richard R. Deupree,** businessman, Cincinnati; **Harvey S. Firestone, Jr.,** rubber executive, Akron; **Charles R. Hook,** steel executive, Middletown; **Gilbert W. Humphrey,** businessman, Chagrin Falls.

David S. Ingalls, publisher, Cincinnati; **R. Livingston Ireland,** businessman, Cleveland; **Fred Lazarus, Jr.,** merchant, Cincinnati; **William E. Levis,** manufacturer, Perrysburg; **Kevin C. McKann,** educator, Defiance; **Walter H. Sammis,** public utilities, Akron; **John Sherwin,** businessman, Willoughby; **Rabbi Abba Hillel Silver,** Cleveland; **E. J. Thomas,** rubber executive, Akron; **Joseph H. Thompson,** businessman, Willoughby; **John C. Virden,** banker, Cleveland; **Robert A. Weaver,** businessman, Lakewood; **Charles M. White,** steel executive, Cleveland.

OKLAHOMA

Kenneth S. Adams, oilman, Bartlesville; **Streeter B. Flynn,** attorney, Oklahoma City; **Donald S. Kennedy,** businessman, Oklahoma City; **Raymond S. McClain,** banker, Oklahoma City.

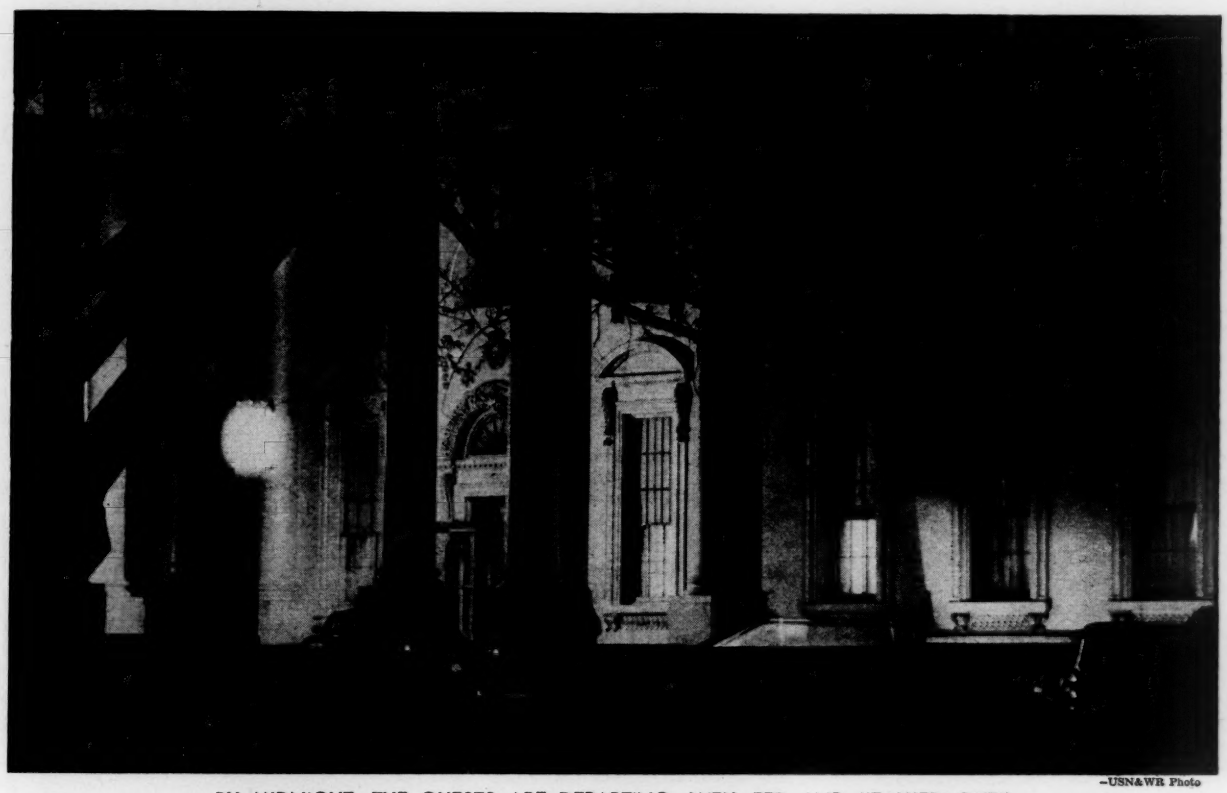
OREGON

Ralph H. Cake, banker, Portland.

PENNSYLVANIA

M. M. Anderson, businessman, Pittsburgh; **Walter H. Annenberg,** publisher, Philadelphia; **Gen. Milton G. Baker,** educator, Wayne; **George H. Deike,** businessman, Pittsburgh; **John A. Diemand,** insurance, Buckingham; **Milton S. Eisenhower,** educator, Pennsylvania State College (six dinners); **Benjamin F. Fairless,** steel executive, Pittsburgh; **Judge Blair S. Gunther,** of Superior Court, Pittsburgh; **Ben Hibbs,** editor, Philadelphia; **Harry B. Higgins,** businessman, Sewickley; **Ralph C. Hutchison,** educator, Easton; **Lieut. Gen. John C. H. Lee (Ret.),** York; **George H. Love,** businessman, Pittsburgh; **Thomas B. McCabe,** businessman, Swarthmore; **Howard H. McClintic, Jr.,** businessman, Pittsburgh; **David J. McDonald,** union official, Pittsburgh.

Robert McLean, publisher, Philadelphia; **Richard K. Mellon,** banker, Ligonier; **James Milholland,** attorney, Pittsburgh; **Brig. Gen. Arthur S. Nevins (Ret.),** Gettysburg; **Howard C. Petersen,** banker, Radnor; **Arthur E. Pew, Jr.,** businessman, Bryn Mawr; **Raymond Pitcairn,** attorney, Philadelphia; **Lessing J. Rosenwald,** retired merchant, Jenkintown; **Roger W. Rowland,** businessman, New Castle; **Fred Waring,** band leader, Shawnee on Delaware; **Ernest T. Weir,** steel executive, Pittsburgh; **Roy Wilkinson, Jr.,** attorney, Bellefonte.



–USN&WR Photo

BY MIDNIGHT, THE GUESTS ARE DEPARTING, WELL FED AND "TALKED OUT"

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Henry M. Wriston, educator, Providence; **Robert R. Young,** corporation executive, Newport.

SOUTH CAROLINA

Carl I. Wood, businessman, Beach Island.

SOUTH DAKOTA

Sullivan Barnes, chairman, Young Republican National Federation, Sioux Falls.

TENNESSEE

Everett R. Cook, exporter, Germantown; **W. Maxey Jarman,** businessman, Nashville; **James G. Stahlman,** publisher, Nashville.

TEXAS

Tom Armstrong, rancher, Kingsville; **Dillon Anderson,** attorney, Houston; **Perry R. Bass,** geologist, Fort Worth; **B. C. Byars,** rancher, Tyler; **H. Lutcher Brown,** businessman, San Antonio; **Amon G. Carter, Jr.,** publisher, Fort Worth; **H. E. Chiles, Jr.,** oilman, Midland; **William H. Francis,** attorney, Houston; **H. B. Fuqua,** banker, Fort Worth; **William P. Hobby,** publisher, Houston; **Robert J. Kleberg, Jr.,** rancher, Kingsville; **J. Sayles Leach,** oilman, Houston; **Stanley Marcus,** merchant, Dallas; **John A. McCone,** attorney, Houston; **W. A. Moncrief,** oilman, Fort Worth; **H. J. Porter,** Republican National Committeeman, Houston; **Sid W. Richardson,** oil and cattle, Fort Worth (two dinners); **Arthur A. Seeligson,** oilman, San Antonio; **Frank Wood,** oilman, Wichita Falls; **Toddie Lee Wynne,** oil and cattle, Dallas.

UTAH

None.

VERMONT

Ellsworth Bunker, Red Cross, Putney; **Edward G. Janeway,** Republican National Committeeman, South Londonderry.

VIRGINIA

Lieut. Gen. Leonard P. Gerow (Ret.), Petersburg; **Arthur Godfrey,** radio and television, Paeonian Springs; **Robert E. McConnell,** retired engineer, The Plains (two dinners); **Jack Solomon,** cattle, Gainesville.

WASHINGTON

Col. James R. Stack (Ret.), Tacoma.

WEST VIRGINIA

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WISCONSIN

Henry E. Ringling, Republican National Committeeman, Baraboo.

WYOMING

Edward J. Bermingham, retired businessman, Sheridan.

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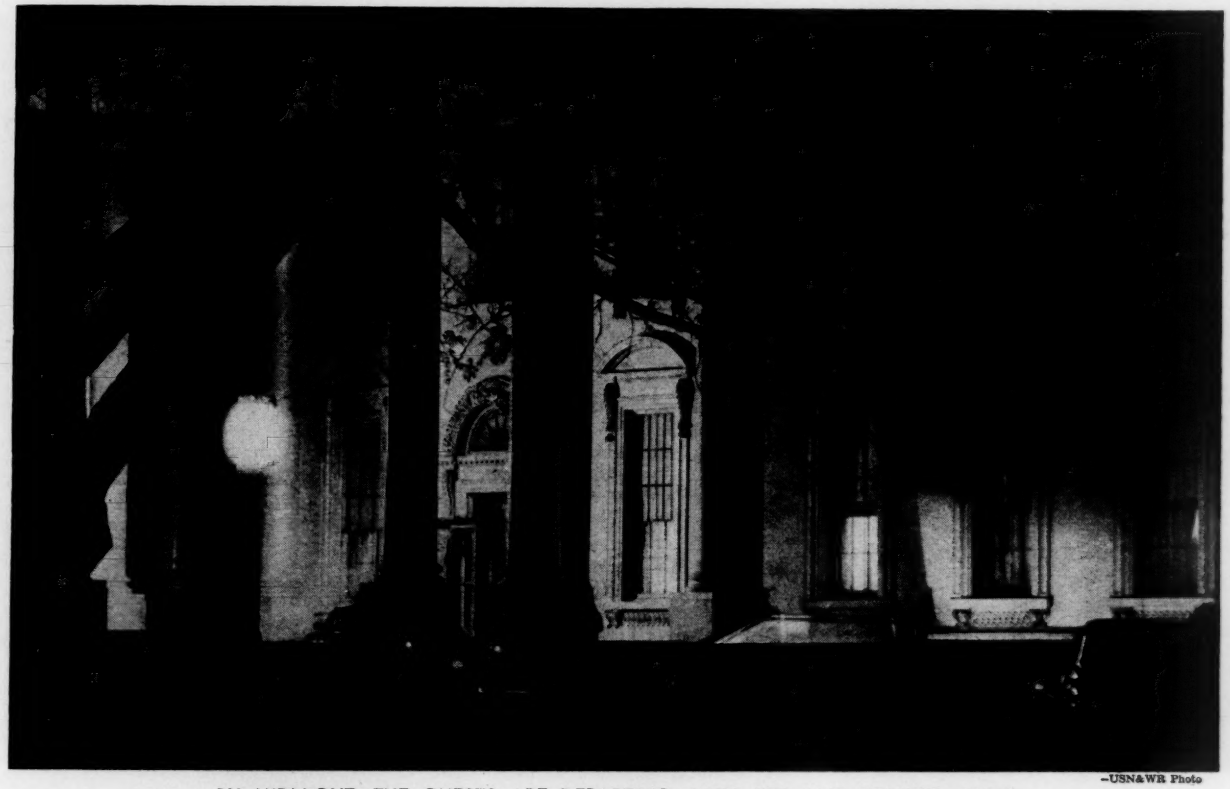

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WISCONSIN

Henry E. Ringling, Republican National Committeeman, Baraboo.

WYOMING

Edward J. Bermingham, retired businessman, Sheridan.

New Crop of Millionaires?

Many Stockholders Doubled Money Since '49

Here, by hindsight, is how a person might have made himself rich in the last few years.

And a good many people have—at least on paper.

Fortunes have been made in this bull market—not only by those playing long shots, but also by conservative investors, holding strictly to the "blue chips."

In most old-line stocks, $1 invested in 1949 is worth $2 now.

On paper, this country today has a good many more millionaires than it had not so long ago. These are people who were lucky enough to buy stocks in corporations before the present bull market really got under way.

Many an individual finds that the market value of stocks that he owns has doubled over a period of six years. Such an individual, reading market reports, probably feels a great deal better off and much more optimistic than he did during the years when a much lower price tag was placed on the stocks he held.

In a period of rising prices for equities, many people get a feeling of well-being. They think of themselves as moving up in the scale of wealth and often are inclined to spend more freely. They may cast their eyes on a higher-priced house or a bigger car. The inclination in a rising market is to forget that stock prices can go down as well as up. Then, too, buyers of stocks sometimes overlook the fact that a stock must be sold for a gain to be realized, and that taxes take a bite of any gain that is realized.

Paper profits in years gone by often have proved illusory. Even so, people like to learn what could have been done if only they had put their money into the right stocks at the right time.

Up four fifths in 16 months. The paper profits resulting from the present bull market have been large. Prices of the 30 stocks listed in the Dow-Jones industrial average recently were 60 per cent above the level of September, 1953, and 153 per cent above the low point of 1949. Many stocks have shown larger gains than that, although others have lagged far behind.

An example of how much a conservative investor may have gained since 1949 is given in the chart on page 43. This is the case of a man who decided in 1949 to embark on an investment program and who has invested approximately $1,000 a year in each of 20 "blue chips" that appear in the Dow-Jones average. That amounts to an investment of $20,000 a year. To simplify the calculations, purchases are assumed to have been made on the last trading day in June of each year, with no reinvestment of dividends.

This man has done well. His outlay for the 20 stocks over the six-year period comes to $119,867. On last January 19 he could have sold his shares for $213,519—a gain of $93,652 or 78 per cent. His tax on the gain—25 per cent—would leave him a profit of $70,239, after taxes.

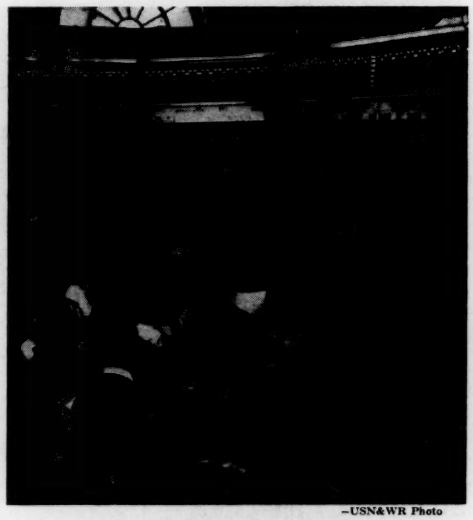
In addition, dividends from these stocks have amounted to $27,412 over the period. Assuming that the investor's other income is $50,000 a year, and that he is married, with two children, his income tax on these dividends came to $16,327, leaving him $11,085. Total income from these stocks, after taxes, thus amounts to $81,324, or 68 per cent of the original investment.

A glance at the chart also will show that this example is by no means exceptional. The investment program outlined here includes stocks that have performed better than the average and stocks that have not done nearly as well as the average. There are no speculative issues on the list. It is a selection of shares in solid U. S. corporations that a careful investor might make. It shows in dollars and cents what the stock-market boom has meant.

The list shows further that investment demand varies widely when it comes to valuing stocks, even among leading corporations. The most spectacular performer is Goodyear Tire & Rubber. The original cost of this stock was $6,013. The recent value comes to $19,302, for a before-tax profit of 221 per cent. Meanwhile, dividends came to $2,021, for a return of more than 33 per cent on the investment over the six years.

At the other end of the scale is National Distillers Products, which originally cost $5,995 and now is worth only $6,435—a gain of 7 per cent. This stock has paid dividends of $1,172 over the six-year period, returning nearly 20 per cent of the cost.

In between are various ranges of performance. You could have doubled your money or better in United Aircraft, General Electric, Bethlehem Steel, Standard Oil of New Jersey, General Motors or Du Pont. Gains from 50 to 100 per cent were posted by Allied Chemical & Dye, Eastman Kodak, General Foods, Johns-Manville and Procter & Gamble. Increases of 30 to 50 per cent were made by American Can, American Smelting & Refining, International Harvester, Loew's and Sears, Roebuck. Smaller gains were made by American Tobacco and Corn Products. All these companies, moreover, are consistent payers of dividends on common stock.



–USN&WR Photo

IN THE BROKER'S OFFICE
. . . a feeling of well-being

Gains in stock values cover a wide expanse of American business. They include soap manufacturers and steel producers, basic industries and companies concerned with serving the wants of individuals. They reflect, in fact, the tremendous increase in production and consumption that has marked the years that followed World War II. People who went along with this expansion by buying common stocks are in a position to re-

alize substantial profits if they decide to sell.

Options as pay. Another group of stock purchasers that benefited from the rise in the stock market are executives of corporations who received options to buy stock. Giving such options is becoming a common practice among managements.

Take, for example, an executive who joined a company in 1950 at a salary of $25,000 a year. He might well have received an option to purchase 1,000 shares of the company's stock at, say, $85 a share. The market value of the stock in 1950 is assumed to have been $100.

By early 1954, this executive is presumed to have exercised his option and to have purchased the 1,000 shares for $85,000. Meanwhile, the price of the stock has gone up to $200 a share—a development that the table shows to have been quite likely. The executive thus has bought for $85,000 stock now valued at $200,000. He is in a position to realize a gain of $115,000.

Now suppose that six months after exercising the option the executive sells his stock. Of the $115,000 gain, $15,000 is considered under the tax laws to be regular income. That is the difference between the option price and the selling price of the stock at the time the option was given. The remaining $100,000 is considered to be capital gain, taxed at a rate of 25 per cent.

This executive's income, if he is married and has two children, amounted to $180,888, after taxes, for the five-year period of 1950 through 1954. That includes both the capital gain and the salary. If the company wanted to give him the same after-tax income from salary alone, it would have had to pay an average of $56,100 a year for the five years. That comes to more than double the $25,000 salary.

This example explains why stock options are being widely used. The executive is given an opportunity to realize a capital gain, taxed at a relatively small rate, if the company is successful. The company, in turn, is enabled to pay lower salaries. Heavy taxes on income operate to increase the attraction of trying to make a gain on investments.

No sale, no tax. On the other hand, the fact that gains are taxed at a top rate of 25 per cent is believed to discourage some investors from selling stocks and taking the gain. So long as they keep their stocks, no gain is actually realized and no tax is paid. Meanwhile, the buyers of stocks are in the comfortable position of knowing that, on paper, at least, they have improved their financial strength.

In any event, trends on the country's stock markets reflect the spirit of optimism over the business outlook that now is being expressed on almost every side.

WHAT THE BULL MARKET HAS DONE FOR STOCKHOLDERS

If about $20,000 had been invested in 20 "blue chip" stocks each year, starting in 1949:

Total Original Cost	$119,867
Recent Market Value	$213,519
Gain on Stocks, if Sold Now	$ 93,652
Less Tax on the Gain at 25%	$ 23,413
Capital Gain, After Tax	$ 70,239
Dividends Received	$ 27,412
*Less Income Tax on Dividends**	$ 16,327
Dividends After Tax	$ 11,085
Total Gain and Dividends, After Taxes	**$ 81,324**

**Assuming the buyer had outside income of $50,000 a year, a wife and two children.*

HERE ARE THE STOCKS:

	ORIGINAL COST	PRESENT VALUE	PER CENT GAIN	DIVIDENDS
Allied Chemical & Dye	$5,939	$ 8,907	50%	$ 945
American Can	$5,991	$ 8,134	36%	$ 920
American Smelting & Refining	$6,034	$ 8,848	47%	$1,714
American Tobacco	$5,977	$ 6,559	10%	$1,140
Bethlehem Steel	$5,977	$15,264	155%	$2,261
Corn Products	$5,964	$ 7,391	24%	$1,032
Du Pont	$6,042	$12,065	100%	$1,158
Eastman Kodak	$5,982	$10,722	79%	$ 887
General Electric	$6,020	$15,818	163%	$1,417
General Foods	$6,054	$ 9,393	55%	$1,026
General Motors	$6,024	$12,096	101%	$2,011
Goodyear	$6,013	$19,302	221%	$2,021
International Harvester	$5,974	$ 7,737	30%	$1,314
Johns-Manville	$5,974	$ 9,968	67%	$1,585
Loew's, Inc.	$5,998	$ 8,480	41%	$1,245
National Distillers	$5,995	$ 6,435	7%	$1,172
Procter & Gamble	$5,981	$ 9,400	57%	$ 987
Sears, Roebuck & Co.	$5,907	$ 8,819	49%	$ 973
Standard Oil of N. J.	$6,046	$12,319	104%	$1,711
United Aircraft	$5,975	$15,862	165%	$1,893
TOTALS	$119,867	$213,519	78%	$27,412

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"KOREA VICTORY WAS DENIED"

War in Korea was an unnecessary defeat.

That's the conclusion reached at this time by a subcommittee of the Senate Judiciary Committee, which has taken testimony from:

Gen. Mark Clark, top U. N. commander in Korea and U. S. Far East commander, 1952-53; Lieut. Gen. George E. Stratemeyer, air commander for U. N. forces in Korea, 1950-51; Gen. James A. Van Fleet, commander of the U. S. 8th Army in Korea, 1951-53; Lieut. Gen. Edward M. Almond, commander of the 10th Corps, 1950-51; Adm. C. Turner Joy, U. N. naval commander, 1950-51, and senior delegate at truce talks.

Much of this testimony has been published in past issues of *U. S. News & World Report*.

Following is the full text of the concluding sections of the Senate Internal Security Subcommittee report on "The Korean War and Related Matters," as released Jan. 25, 1955:

Conclusions

(1) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believe that victory in Korea was possible and desirable.

(2) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believe that the action required to achieve victory would not have resulted in World War III.

(3) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believe that political considerations were permitted to overrule military necessities.

(4) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary expressed grave concern over the conduct of this first U. N. "police action," and hoped we would never again hazard our troops under similar circumstances.

(5) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believe that possible subversion, wishful thinking, European orientation and Allied pressure denied them victory.

(6) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary believe that failure to win in Korea has jeopardized our position in the Far East.

(7) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary supplied some clues to possible subversion in Government departments, but were unable to make specific charges.

(8) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary expressed the hope that the investigation would be continued and would encompass the source from which their orders were received—the Pentagon, State Department, our allies, certain ambassadors.

(9) The senior military commanders in the Korean war theater who appeared before the Internal Security Subcommittee of the Senate Committee on the Judiciary hoped that the subject of direction of a U. N. war would be satisfactorily clarified before the United States again commits its forces, its prestige, and its vital interest in another U. N. military engagement.

Recommendations

We, the members of the Internal Security Subcommittee of the Senate Committee on the Judiciary—

(1) Recommend that this report and copies of the hearings on which it is based be circulated widely as a historic document containing authoritative eyewitness testimony not hitherto available.

(2) Recommend that copies of this report and copies of the hearings on which it is based be brought at once to the attention of the members of the Senate Committee on Armed Services and the Senate Committee on Foreign Relations, as germane to matters presently before those committees.

(3) Recommend that the proper sphere for political decisions in the conduct of war should be outlined and the area of military operations to be conducted by professionals should be defined.

(4) Recommend that methods should be explored to eliminate political interference in the conduct of hostilities and the negotiation of a military armistice.

(5) Recommend that further clarification of the record be sought, not in a punitive or partisan spirit, but as related to the solution of present and future problems in connection with our U. N. commitments.

(6) Recommend that these findings be accorded careful consideration in exploring the whole question of American treaty relationships.

WILLIAM E. JENNER, *Chairman*
ARTHUR V. WATKINS — JAMES O. EASTLAND
HERMAN WELKER — OLIN D. JOHNSTON
JOHN MARSHALL BUTLER — JOHN L. MCCLELLAN

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Over $460 million have been put into improvements since the war to make the progressive Chesapeake and Ohio one of the most modern railroads in America. The modernization program includes a system of centralized traffic control, new mechanical track maintenance equipment, and additional powerful Diesel locomotives.

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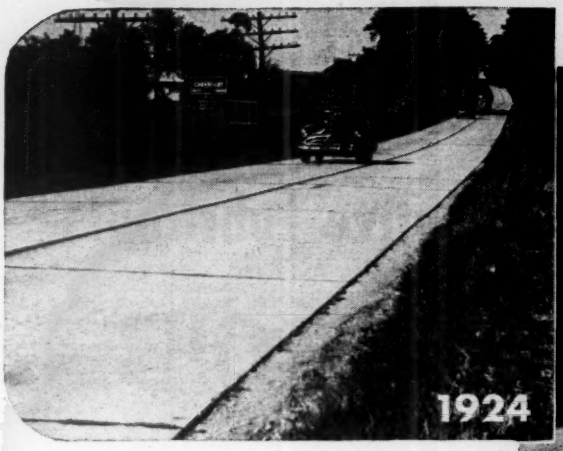
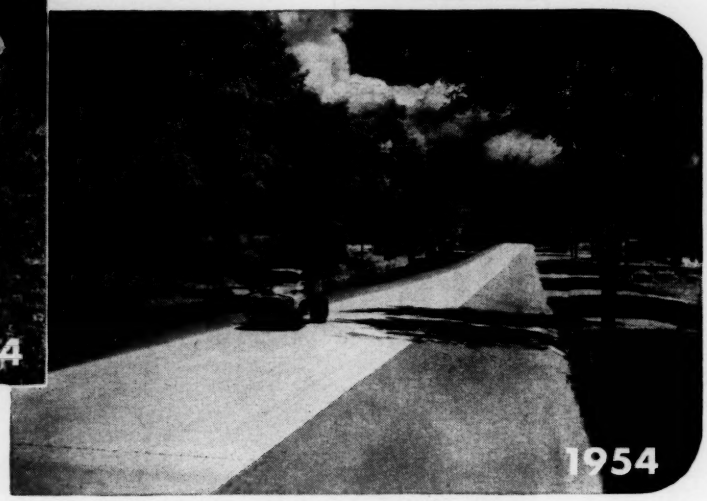
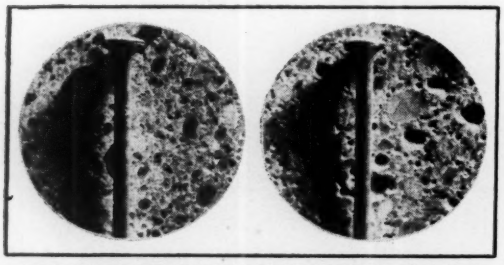


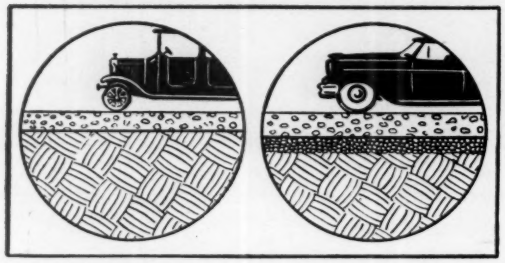


The 1924 road has served 30 years at low annual cost, but . . .

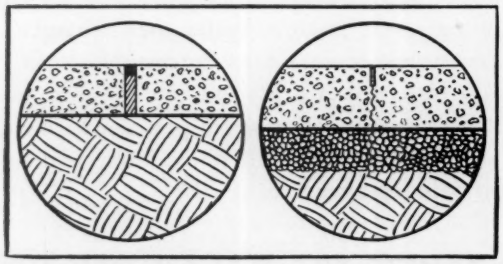
1954 CONCRETE ROADS ARE EVEN BETTER FOR THESE 3 IMPORTANT REASONS



Non-air-entrained concrete (left) and air-entrained concrete. Pin shows size of air cells.



Concrete roads used to be built on the soil (left). Now most get a granular base (right).



Old type joint (left). Narrow, sawed joint of a modern concrete pavement (right).

Concrete roads have come a long way since they brought the nation "out of the mud" 30 years ago. Many old pavements are still serving, but you can expect even better performance of modern concrete roads. One good reason is **AIR-ENTRAINED CONCRETE,** perhaps the greatest development in modern paving technology. Billions of microscopic air bubbles per cubic foot, produced by a resinous or a fatty additive, act as expansion chambers for freezing water. This trapped air eliminates damage to concrete pavements from weathering or the action of snow-removal chemicals.

A GRANULAR SUBBASE is something you never see—a firm layer of crushed stone or gravel under the concrete pavement. Wet, unstable soil under the slab tends to squirt out at joints and edges under repeated impact of heavy traffic, leaving the pavement without adequate support. But a granular subbase provides good drainage that prevents this. On the now-famous Maryland Test Road, concrete slabs that were built on granular material survived six months of grueling durability tests—equivalent to more than 20 years of normal highway traffic—without a single failure of any kind.

SAWED JOINTS give you a much smoother ride. Years ago engineers thought they needed wide and frequent joints to accommodate the expansion and contraction of the concrete. Now they know they need only provide against uncontrolled cracking as the concrete shrinks. They *saw* a thin groove across the hardened concrete slab a few inches deep and seal it with material that won't squeeze out. Shrinkage causes a fracture line, invisible on the surface, to open below the sawed slot, which itself is so narrow it isn't felt and may not be seen by the motorist. For more facts get the free booklet, "*Why Concrete.*" It is distributed only in the U.S. and Canada.

PORTLAND CEMENT ASSOCIATION Dept. A2a-83, 33 West Grand Avenue, Chicago 10, Illinois

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Worldgram®

FROM THE CAPITALS OF THE WORLD

LONDON....WASHINGTON....BONN....HELSINKI....

>> Insiders in Europe are breathing easier about Asia. As they see it:

Chiang Kai-shek is being put under the heaviest wraps yet by the U.S., in hopes of ending the shooting. U.S. is doing everything it can to pave the way for a cease-fire. Long-standing worries about U.S. and Chiang are for the most part removed. Only question now is what Communist China will do.

Chiang, it's noted in Europe, is under U.S. pressure to pull his troops out of the Tachens, to limit his activities elsewhere purely to defense. He is being told by U.S., in effect, to shelve all plans for attacking the mainland.

This is the line European leaders have long wanted the U.S. to take. With Chiang bottled up, the diplomats see a chance for a cease-fire and, after that, a United Nations seat for Peiping and maybe a new status for Formosa.

Provided, that is, Communist China takes the hint and behaves itself.

>> Great Britain, with commitments of its own in Asia, applauds the Eisenhower ideas on the Formosa issue, but with reservations. In a cautious straddle.....

The Eisenhower warning to Communist China against further aggression is given mild approval. The approval may please the U.S., while the mildness of it may tend to mollify the Chinese Communists and the leftists inside Britain.

Formosa ownership, a hot issue, is side-stepped. As for islands nearest China, Britain feels, Peiping has real claim--but mustn't take them by force.

Main emphasis is on getting a cease-fire, not on taking sides as between belligerents. Everybody, including opposition in Britain, has to be for peace.

Sir Anthony Eden, in London, is seizing the cease-fire idea suggested by the U.S. and running with it, hoping the hurdles won't be too high.

>> As Eden realizes, if war spreads in Asia.....

Hong Kong can be taken by Chinese Communists whenever they want it.

Malaya can expect a fresh crop of Communist guerrillas and a much bigger war. As it is, Communist advance in Indo-China has put Malaya in peril.

Britain's Commonwealth could lose its biggest Asian member, India, if the Chinese Communists really get rolling in South Asia.

A Communist South Asia, if it ever comes to that, would not only push the British out of Asia entirely but put Australia and New Zealand in line of fire.

Not so long ago possibilities like these seemed too fantastic to give a second thought to. Now they probably haunt the Eden dreams.

>> Britain's problem, like U.S.'s, is how to save what's left of Asia. Sir Anthony's idea is to stop the Communists without shooting them, if he can.

A cease-fire for islands near China can buy time, slow down Communists.

(over)

More bombers near Malaya, at same time, could have some deterrent value. So Britain is sending jet bombers to Malaya, improving airfields in the area, and hoping U.S. and Australia will add their air power to the region.

This is why Britain joined U.S. in Manila Pact for defending Southeast Asia, wants the pact to be strong, despite Premier Nehru's distaste for it.

Britain, trying not to show it, is uneasy about Communist China's plans.

>> Soviet Russia's campaign to kill off West German rearmament isn't making Communists out of Germans, but it is turning more Germans against rearming.

Moscow's campaign, now in high gear, keeps hammering away at one simple idea: If West Germany arms and joins forces with the West, then all hope of unifying East and West Germany might as well be abandoned.

It's an effective argument with many Germans. They naturally want to see Germany one country again. They know that Russia can always prevent unification by staying in East Germany. And they have little enthusiasm for rearming.

Russia's price for unification--a Communist Germany--is soft-pedaled.

>> To show the way many Germans are reacting to Moscow threats, promises.....

Trade unions, spurred on by Socialist leaders, are going all out against rearmament. Socialists are taking Soviet promises of free elections seriously. A leading newspaper, one close to business interests, says it is now time for Germans to sit down with the Russians and talk things over. Church leaders are in many cases condemning rearmament as morally wrong.

Effect of all this may not be to change many votes in the Bundestag. The Adenauer Government is expected to get the Paris pacts ratified. But it means that German enthusiasm for arming, for staying with West, is not a sure thing.

>> Allied officials in Europe refuse to get excited about Moscow's campaign against German rearmament. For instance.....

A Soviet threat to cancel friendship treaties with Britain and France has been rejected by both London and Paris. They refuse to be scared.

A new Soviet maneuver, a declaration ending the technical state of war with Germany, is noted in Allied capitals as of little practical importance. The Allies made similar declarations more than three years ago.

This Moscow declaration can be a hint of things to come, such as: another decree saying East Germany is now a sovereign state, and therefore free to arm itself against the West or to blockade Berlin while Russia looks the other way.

Actually, East Germany already has an Army, and will remain firmly under Moscow's thumb. Russia doesn't need the new declarations to do what it wants to in East Germany, but the Russians like their moves to look legal, anyway.

>> In Helsinki, the Finns feel better about their relations with Russia. The reason: Finland is becoming less dependent on Moscow for trade.

Trade with Soviet bloc, complete figures for 1954 show, is less important than formerly. In 1953, the Soviet bloc accounted for 33 per cent of Finland's trade. In 1954, the Soviet portion slipped to about 28 per cent.

Trade with the West is up. Exports to West Europe and the dollar area rose 20 per cent in 1954, against a rise of only 6 per cent to the Soviet bloc.

Forecast in Helsinki is that total Finnish exports will rise again this year, and that the trend toward the West, away from the East, will continue.

For those who are never satisfied with the ordinary

Lincoln is designed especially for those who have confidence in their own good taste—for those with the daring to appreciate the unusual, the distinctive.

For you will note in Lincoln a dramatic difference—not merely in over-all length (eleven and a half inches longer from head to taillight)—or that lower, faster look. It's in the subtle sweep of line, curve of chrome, brilliance of styling. From the striking new front grille to the dual exhausts, this is the kind of beauty that depends on restrained lines, straightforward design. But Lincoln's difference does not stop with distinctive beauty.

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So may we make a suggestion? See your Lincoln dealer. One drive in a Lincoln or Lincoln Capri will prove the vast difference between Lincoln and any other car.

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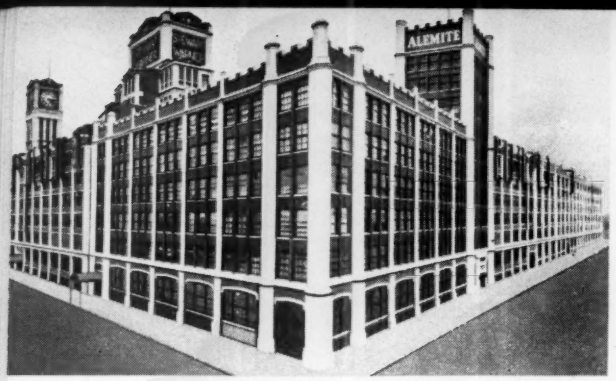
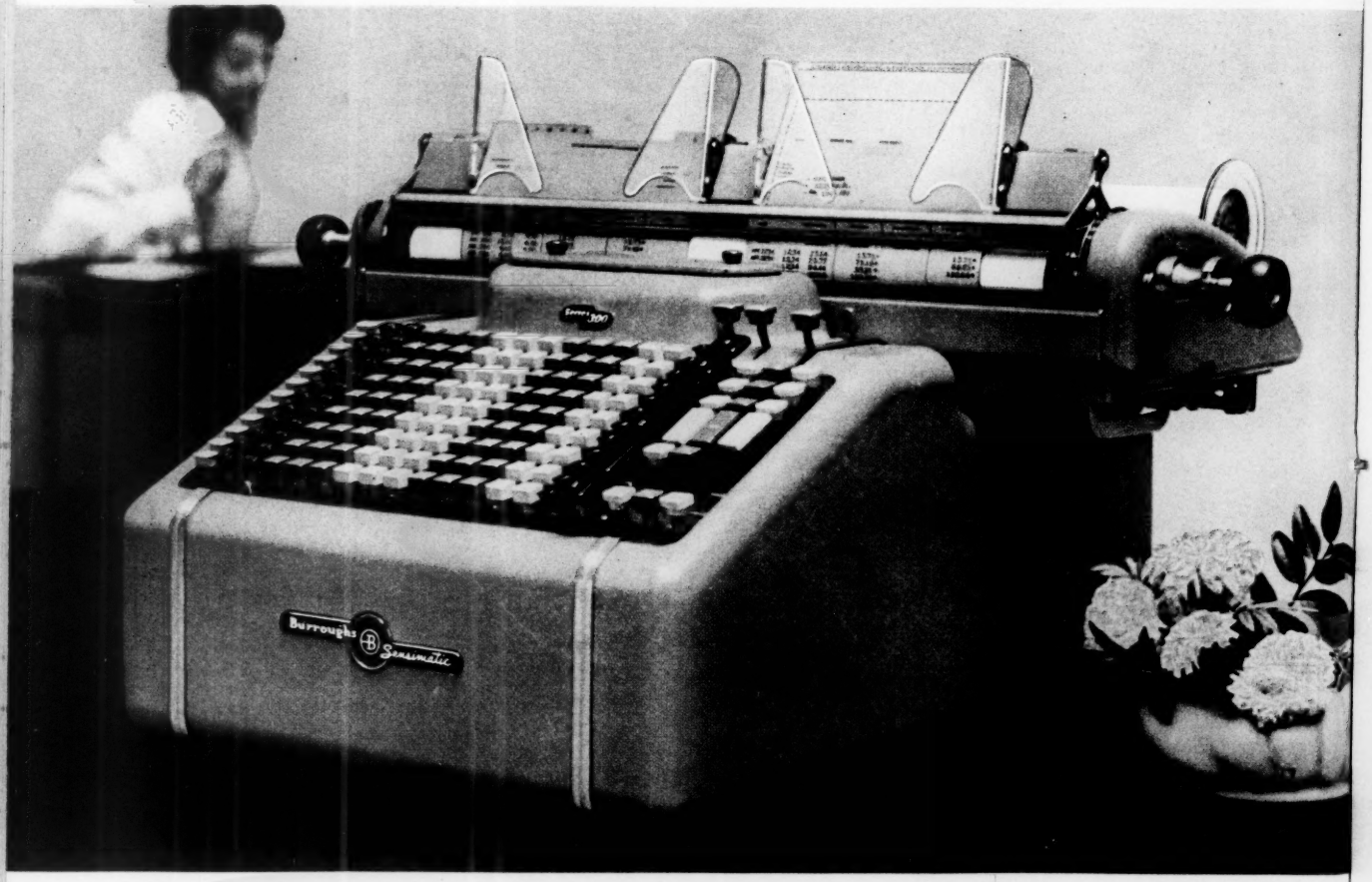


Big – like Stewart-Warner

Or small – like Renier Company



Burroughs Sensimatics can cut your accounting costs

Look at this contrast: Stewart-Warner, a large corporation with many products, has accounting departments staffed by more than four hundred people. The Renier Company, a thriving retailer of lumber and builders' supplies in Lincoln Park, Michigan, has just two girls for all accounting.

Still, both businesses use Burroughs *Sensimatic* accounting machines—to cut costs to a mechanized minimum. Renier needs only *one* Sensimatic, while Stewart-Warner uses many.

Actually, the clue is in the name "Sensimatic," meaning a highly automatic machine with the exclusive Burroughs "sensing panel." It's this control that makes each Sensimatic *four machines in one*—a sound investment for even the smallest business. With any Sensimatic, you can do *four* major accounting jobs at the turn of a knob. Then, for other operations, or even a new *system*, you simply insert another four-job panel.

These versatile machines fit any business. They're in six different series—two to 19 totals. Your Burroughs man will gladly demonstrate. Burroughs Corporation, Detroit 32, Michigan.

Wherever There's Business There's Burroughs

THE MAN ...T. Coleman Andrews **THE NEWS** ...Taxpaying Time

—USN&WR Photo

New Tax Law, New Forms —And April 15 Coming Up

Mr. Andrews, the nation's top tax collector, unworried by complexities of new tax forms, assures the taxpayer: Honest errors are to be treated as such, not as tax-fraud schemes.

AT THIS TIME OF YEAR, T. Coleman Andrews becomes one of the country's most important men. Mr. Andrews, a forthright and amiable Virginian, is Commissioner of Internal Revenue. His job is to collect your income tax.

For millions of Americans, filing the actual return has been reduced to a simple formality. These people, workers whose tax is wholly or almost wholly withheld by their employers, have only to answer a few understandable questions. Soon, as Mr. Andrews has things planned, these citizens may be relieved of filing any return at all.

There are, however, big groups that find income tax time filled with complexities and headaches. And this year, due to the new tax law, the complications have been multiplied. Long lines of bewildered taxpayers already are queueing up at Internal Revenue Service offices. Officials are swamped with telephone calls. Some IRS men fear that deadline day, April 15, this year, may find the Service in a mess.

Where confusion hits. Mr. Andrews is less worried than most, however. For one thing, there is an extra month this time to get the job done. For another, the special confusions affect special groups only. Chiefly they are retired people, stockholders and some others. The new law gives these people special tax relief and they are uncertain how to take advantage of it.

Their problem then, is finding out how to reduce their tax bills. IRS thinks that, if these puzzled people get busy, avoid waiting until the last minute, they can get the answers that they seek. Dissatisfactions about the complexity of the forms, IRS hopes, may be offset in the end by the factor of money saved. If the complexities were necessary in paying bigger tax bills, the view is, a real outcry against Mr. Andrews and the IRS might arise.

In any event, the Commissioner and his associates doubt that, as the law stands, the returns and instructions can be simplified much, if any, further. There was only a short time in which to translate the new law into new forms and instructions, and there is an obvious feeling of pride at IRS over the job done.

If, however, contrary to Mr. Andrews's present view, the forms prove too complicated, there are two things to be done. IRS then will put its limited manpower to work on the returns that yield most to the Government—returns in the higher brackets—and will untangle returns of the smaller fry later. And it also might become necessary to ask Congress for a revision of the law, to permit greater simplification of the forms.

Year in, year out, 25 per cent of all returns filed contain errors of one kind or another. Mr. Andrews thinks this should not greatly increase this year. But, if honest errors arise, he says, they will be treated as honest errors, not as tax-dodging schemes.

Taxes and politics. Mr. Andrews simply thinks that most taxpayers are honest. This attitude has characterized his two-year administration of the tax laws. He took office in February, 1953, to find the Revenue Service in an appalling situation. Since then, Mr. Andrews has worked numerous fundamental changes, most of which have gone unnoticed. He has some further reforms in mind for the future.

The Revenue Service that Mr. Andrews took over was riddled with corruption, fraud, bribery, other irregularities. Scores of officials had been jailed or were under indictment. A cleaning-up process had been begun. Mr. Andrews carried it to a ruthless conclusion. Primarily, he blamed politics, the political appointment of collectors and deputy collectors of Internal Revenue.

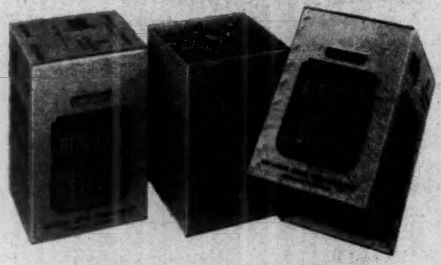
Now the only political appointee in the entire service is Mr. Andrews himself. All other jobs have been classified and, to the dissatisfaction of some politicians, put under Civil Service. The IRS has

(Continued on page 52)

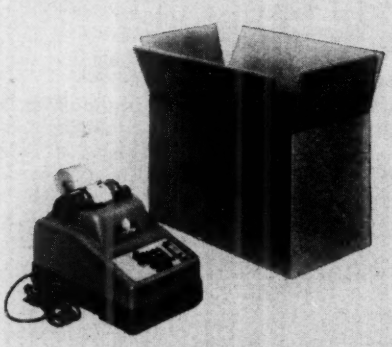
—Black Star

TAXPAYERS GET HELP
. . . and an extra month

merchandise
at point-of-sale



economize
on shipping costs



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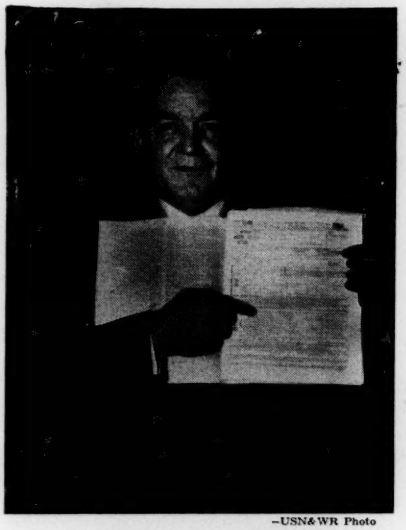
Backlog of tax disputes cut almost in half . . .

been given a stiff brooming, understaffed offices strengthened, overstaffed offices reduced. In the Washington headquarters there are a thousand fewer employes.

The reduction in the capital came about through a fundamental reform. Prior to Mr. Andrews's time, tax disputes were settled in Washington. For the taxpayer this often meant expense, trips to the capital, fees to the city's tax lawyers. It also enabled members of Congress to interest themselves in individual cases and bring, or attempt to bring, pressures to bear.

In the face of opposition in Congress and from the tax lawyers, Mr. Andrews



—USN&WR Photo

T. COLEMAN ANDREWS
. . . sweeping reforms

shifted the settlement of tax disputes to field offices, where the taxpayer could see to things himself more easily, where politics might be kept at arm's length. One result: In the last 18 months, the number of disputed cases pending has been reduced from 31,704 to 17,256.

Mr. Andrews, himself an accountant, has set up a new accounting and auditing system for the Revenue Service, now just going into full effect. It reaches from Washington into regional and other field offices, makes it possible at all times to ascertain the exact status of collections. There also is increasing use of business machines.

Such machines figure in the tax records of millions of smaller taxpayers. These taxpayers fill out a brief punchcard questionnaire which, to keep

. . . Soon: no returns to file for 30 million?

things straight, then is fed into the machines. This system is preliminary to a fundamental reform that Mr. Andrews hopes to institute in the near future.

The idea is to relieve 30 to 35 million taxpayers—out of a total of 60 million—from filing income tax returns. This would be done for them through the withholding system, with proper safeguards for refunds or underpaid accounts. It would apply primarily to wage earners with incomes of less than $5,000. IRS plans soon to ask Congress for legislation providing a start toward this system. Mr. Andrews may suggest, too, that the top limit of $5,000 be raised.

The Commissioner. Mr. Andrews has gone about his changes with a determination and singleness of purpose that many in Washington have found unusual. Some expected that long ago these qualities would get the Commissioner into serious trouble. But he has escaped comparatively unscathed.

To his job, Mr. Andrews brought a long experience in the tax, accountancy and business-management fields. As a result, he was thoroughly familiar with Internal Revenue Service methods, and also with the gripes and dissatisfactions of businessmen.

Mr. Andrews, now nearing 56, is a man of great energy. He went to work after high school, learned accountancy on the side. At 23 he opened his own firm, which has grown and spread into the fields of management engineering and actuarial work.

Politically, he is a Democrat who supported Mr. Eisenhower in 1952. Politically, too, he always has been sturdily independent. As Virginia's auditor of public accounts, he discovered shortages that sent six county officials to jail. As head of Richmond's finance department, he was instrumental in collecting some $900,000 in long-delinquent taxes.

In addition, Mr. Andrews has seen previous service with the Federal Government, in wartime contract renegotiation and with the General Accounting Office. Also during the war, he served in the Marine Corps.

As Commissioner, Mr. Andrews travels frequently, inspecting field offices and speaking before many groups. He feels that public relations is an important part of the top tax man's job. Educating the taxpayer has been one of his prime goals. Now, however, with a new tax law, he finds that in many cases he must start all over again.

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Interview — with K. C. WU

Former Governor of Formosa

"U.S. COULDN'T EVEN BLUNDER INTO A FAR EAST WAR"

From one of the best-informed Chinese in the world comes this realistic appraisal of the present Formosa crisis.

K. C. Wu, American-educated Governor of Formosa until he broke with Chiang Kai-shek two years ago, has been called one of China's ablest administrators.

Are the Communists ready to fight the U. S. for Formosa? Behind the bluster and tough talk, what are they after? How strong are they? Can Chiang recapture his lost mainland, or do the Reds have an unbreakable hold?

Mr. Wu, who on these pages gives his answers to the editors of U. S. News & World Report, is a graduate of Grinnell College in Iowa and holds two degrees from Princeton University. He joined forces with Chiang Kai-shek in 1926 and rose to a place in the highest councils of the Nationalist Government—as wartime Foreign Minister and as Governor of Formosa.

He split with Chiang in 1953, urging a "cleanup" of the Nationalist Government, and since has been living quietly in the U. S.

Q Do you think, Mr. Wu, that this latest move by the United States is going to result in a big war in the Far East?

A No.

Q Why do you think so?

A In the first place, the Red Chinese do not want a war—nothing is further from their mind.

Q Why is that?

A Well, you see—as a particular instance for actual proof—they have started to clamor for the withdrawal of the Seventh Fleet and for the liberation of Formosa ever since September last year. That has been four or five months now. If they wished to have a war with you, the easiest thing they could do was to drop a few bombs upon the warships which have been all the time patrolling the Formosan Straits.

Q But wouldn't it also be true that they would rather be attacked, in order to consolidate their own opinion?

A But they could manufacture a story about your attacking them—like Korea. They wouldn't need an attack.

Q They wouldn't need an attack to claim one?

A That's right. You see, they don't want that because they figure at this moment to have a war with your country would be a very futile war. They would not gain any advantage. They would not be able to defeat your Seventh Fleet and liberate Formosa. That's why there is nothing further from their mind—and, furthermore, you cannot even blunder into war with them.

Q Why do you say we can't blunder into war with them?

A Well suppose, now, you even went so far—suppose you really got mad and dropped an atomic bomb in Peiping—suppose they still do not want war, they can easily stop a war. Then they would just do one thing—they would ask Mr. Malik, the Soviet delegate to the United Nations, to go to the United Nations and denounce the U. S. as an aggressor and say that, in spite of your atrocities, the Communist nations—the peace-loving nation of Red China—still want peace and they want negotiations.

Q Well, is that because of military weakness?

A Not necessarily. Of course they haven't got a navy and they haven't got an air force strong enough to liberate Formosa yet.

Q Haven't they got a lot of air power that they get from Russia?

A Yes, but not enough to defeat your Seventh Fleet. But anyway they really think they can get Formosa by another means.

Q By what means do they think they can get it?

A Their own formula, as it always operates. You know, they used to have a slogan on the mainland of China—they say, "Fight and negotiate, fight and negotiate, fight and negotiate, and then kill." You see they alternate fighting with negotiating. If they can advance one inch by fighting, they do it by fighting. If they can advance another inch by negotiation, they do it by negotiation.

Q Is that typical of the Chinese, or just the Red Chinese?

A The Reds—the Communist Chinese, under the guidance and mentorship of Moscow. They think they can win this game in Formosa by this fighting-and-negotiating process.

Now, just to analyze the events of the last few months:

Last September they started to talk about the liberation of Formosa. And then up to December they realized they couldn't do very much by fighting. They had been engaged only in the bombardment of Quemoy and the exchange of a few air raids—that's all. It had its nuisance value, but they

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Red Strategy: Fight a Little, Negotiate a Lot, Push into U.N., Get Formosa Without a Big War

couldn't do very much. And so they finally concocted a plan. They wanted to have negotiations and they made a trap for you and you fell for it.

Q What was the trap?

A The trap was this—they suddenly sentenced those 13 prisoners of war in December.

Those 13 prisoners had been imprisoned by them all the time after the Korean armistice. But the reason why they chose to announce the sentence in December was because they thought, by doing that, they might trap you into trying to discuss the release of the prisoners with them.

Q In other words, they finally succeeded in getting us into a negotiation?

A Yes. That was a bait to make you negotiate. And you fell for the trap, and you sent Hammarskjold [Dag Hammarskjold, Secretary General of the United Nations] over to talk to them. And by getting Hammarskjold over, they won two points—two results already.

One result is the tremendous prestige they have gained. They have been barred from admission into the United Nations, but now the highest official of the United Nations goes to Peiping to beg for the release of the prisoners. That's good propaganda for them with the people in Asia.

The other result is again achieved in the Communist way. They do not and will not name any conditions. When Hammarskjold came back, he said: "No conditions named by Chou En-lai." But Chou En-lai leaves the door open for negotiations. That opens the way for the movement for a cease-fire proposal in the Formosan area. So they got that—those two results.

What they want now is exactly what your President Eisenhower suggests—a cease-fire proposal. They will not agree to that now outwardly. That's their way too. But they will leave the door open for you, and then the United Nations, naturally, following the Hammarskjold suggestion, and the suggestion of England and other nations, will advocate a cease-fire. No—they will not agree outwardly, but they will leave the door open. They further will say: "How can we discuss peace arrangements over there, when we, Red China, have not even been admitted into the United Nations?"

Q What happens next?

A Then will come the clamor again, the renewed demand for the admission of Red China into the United Nations. Still they will not name conditions. They will lead you on—with the possibility of settlement. Then, of course, probably Red China gets admitted. That's their idea.

Q Will that end it?

A When they get admitted, then they will say, "Well, who is going to occupy the Security Council seat?" That will raise another question. Naturally, "neutrals" will try to get them seated in the Security Council. And, in the meantime, they still will keep on fighting, but fighting not so much as to involve you directly in war—they will fight in Tachen, they will take Tachen, they will probably bombard Quemoy, and all that. They will continue fighting at the same time, but not major fighting as a war.

Once they get into the Security Council of the U. N., then they will say: "We cannot agree with the idea of separate government in Formosa—to have two Chinas. Formosa has always been part of the territory of China. Formosa by the Cairo Agreement is a part of the territory of China. We cannot agree to that—this two-China idea."

—FOA

K. C. WU

Then, of course, by having themselves admitted into the United Nations and seated as a Security Council member, they deal a mortal blow to the prestige of Nationalists anyway. By this time I think that, due to some "neutrals," some governments will begin to think it is better perhaps to have Formosa in the United Nations trusteeship. But Red China will still not agree to that. They will still say, "We cannot have Formosa as a United Nations trusteeship." And somebody will suggest that perhaps it's best to have a United Nations trusteeship, with Red China having a major participation in that trusteeship. The Reds still will not agree even then. Then probably some people will go further and say: "Maybe a plebiscite should be held in Formosa to decide whether Formosa should be under a trusteeship."

Q The final suggestion will be a plebiscite?

(Continued on next page)

. . . "Reds gained a point: President's cease-fire proposal"

A Yes. And maybe—it will depend on circumstances—maybe by that time Red China will agree. You see, in that case they gain Formosa without a fight.

Q They want to get Formosa without a fight and through prolonged negotiations?

A Yes, prolonged fighting, negotiating. They will have fighting, more fighting—minor fighting like what they have now. But they will have negotiation all the time in which to push their way. They have already gained a point. They have made your President come out with a cease-fire proposal which you would never have done before.

ISLAND STRATEGY—

Q Would you say the Chinese Reds will have to fight for the Quemoy islands close to the coast far more vigorously than before?

A Well, those offshore islands have been in the hands of the Nationalists all the time. What is there for them to fear about that now?

Q Isn't the presence of the U. S. Fleet as a military protector of those islands likely to produce inside of China a patriotic feeling, or one that they can stir up against America, and thus consolidate their public opinion, perhaps?

A Yes, that, of course, would be natural.

Q Would that lead to more intensive military operations off the coast?

A No, I don't believe so.

Q Is that coastal area suitable for large military operations?

A It depends upon which part.

Q I mean opposite Quemoy—

A You see, in Fuchien Province, the terrain is very much surrounded by mountains. If I wanted to invade the mainland of China I would not land opposite Quemoy. I would rather land opposite the Tachen islands. The Tachen islands are much more important.

Q But they have been saying in Washington that the Tachen islands are not very important—

A I cannot see why Tachen should be abandoned while Quemoy and Matsu should be held. I cannot see that reasoning.

You see, the risk of war is the same—if you think there is a possibility of a risk of war. Some people say Tachen is so far away it may not be defensible enough. Quemoy is so much nearer to the coast of the mainland of China than Tachen.

Q It is generally said you have broken with Chiang Kai-shek—

A That's right.

Q How long ago did you break with the Nationalist Government in Formosa?

A I broke with the Government really in March last year. I resigned, however, and the actual break came in May, 1953.

Q What was the basic reason for that break?

A The reason for my break was this: I differed with Generalissimo Chiang Kai-shek and, second, his son, on the most effective method to combat Communism. You see, I believe the real target which all we Chinese should have is to liberate the mainland of China from the hands of the Communists. I think the only way that we can do it is by realizing the mistakes we have made in the past. You see, ours was a discredited Government on the mainland.

Now, why did people discredit us? It was because we had corruption and we were not democratic, we had one-party rule, we had a secret police, and all that. Therefore, I said I thought—and I still think—that the way to fight against Communism, and eventually to liberate the mainland of China from the hand of Communism, is to win over the masses of the people on the mainland of China.

Q And how could you do that?

A The way to do that is by reforming ourselves—by letting the people know that we have actually reformed in fact. The way was to abolish one-party rule and to introduce free elections. We should try to do away with secret-police methods, we should have rule of law, we should have reorganization of our security forces somewhat like your FBI, with respect for individual rights.

Q From a legal standpoint, aren't the Red Chinese going to be able to make quite a case over the fact that the U. N. or the United States Seventh Fleet is engaged in a civil war in China because it is trying to protect territory that is really an issue between two factions of China? How do you reconcile that situation with the cease-fire idea?

A I consider this not a legal issue, but a moral issue, and not only a moral issue, but an issue in which the destiny of the human race is concerned. I think the Formosa thing is part of the Communist plan to dominate the world. It means trouble between the free world and the Communist world. For that reason, it is just a trifling matter to go into the discussion of whether or not Quemoy or Formosa is Chinese territory.

REDS' WORLD PLAN—

Q In other words, you think that the broad issue is whether this is a Communist conspiracy to conquer—

A It is part of a plan. In case the free world wants to block that plan—in case the free world does not wish to submit itself to the domination of the Communist world—then you just have to battle it every inch.

Q You see, our Government has made its position plain that it doesn't intend to attack but to defend the area. We decided not to use force to reunite Korea, and we are now saying that we are not going to use force to reunite the Chinese factions—

A I always think it is a bad way for your own boys to try to fight a war. The Russians never do that. The Russians used Chinese to overthrow China, they used Indo-Chinese to overthrow Indo-China. In the Korean war you sent your boys to fight over there and to die over there in Korea. The Russians didn't send any troops over there.

Q Well, how can we liberate China if we don't—

A You have to use the Chinese.

Q But the Nationalist Chinese don't have a navy—

A The navy is not the important thing. The important thing is to have Chinese dedicated to democracy and dedicated to fight against Communism, to try to use every means available, as the few Communists did in the past to try to get China for the Communists. The Soviets, of course, supported them, but they conquered China. You've got to have dedicated Chinese.

Q Do you think it is possible to rescue China without going in there with big armies?

A That can be done without the use of the American Army.

Q Do you think it's necessary, to reconquer China, for Chiang's Army to land there on the mainland?

A Yes, I do.

Q He has only about 600,000 troops. That wouldn't be enough to conquer, would it?

A That is exactly the misconception of this part of the world. Yes, Chiang has nominally only 600,000 troops. Out of the 600,000 troops evacuated from the mainland, only 300,000 are combat-effective. So that is very small. But now Formosa has a population of over 8 million people.

Q Eight million people in Formosa?

A Yes. In case we use the same drafting system that you use now—I mean, in the second World War—we can draft about 10 per cent of the people. That means more than 800,000 men can be added.

Q Will the Formosans fight?

A That's right. I think you have raised a good question. But before we come to that: We add 800,000 men to the 300,000, and that means we can put 1.1 million men in the field. But there are two questions now—one is whether Formosa is willing to fight. Even if the Formosans are willing to fight, even if we are able to put 1.1 million on the field, that army is not enough to defeat the Red Chinese Army, because Red China is full of manpower, so it has to be provided. As soon as or shortly after the invasion is launched, the people of China or in the vicinity of the invaded area will rise to support our organization.

So, before we launch this invasion, we must be reasonably sure of two things: one, the popular support of our Government and our aims in Formosa, and then, a reasonable assurance of popular support of our invasion as soon as we land on the mainland.

BEFORE INVASION, REFORM—

Q That's why you think the Chiang Government should be reformed?

A That's it, exactly. Unless Chiang does that, we don't have a chance. And if Chiang does it today, he still has a chance, and I would be the first to back him up.

Q You would be the first to back him up even if he goes ashore?

A If he gets reformed. If he gets reformed, then we have a chance.

Q Do you think that he would not have that chance unless he reformed his Government?

A That's right. He wouldn't be sure of the support of the Formosan people, and he wouldn't be sure of the support of the mainland.

Q How do you think this is going to give you any chance for an invasion of the mainland if you have the U. S. Seventh Fleet there? Do you understand that our fleet will not interpose any objections now to an invasion?

A I think that, at present, your Government doesn't want an invasion, and Chiang probably doesn't dare to have an invasion.

Q So you think the desires coincide? Chiang can't go, and our Government doesn't want him to go?

A Yes.

Q So, we have a situation where a possible invasion is purely academic?

A Exactly, and that's why I entertain great apprehensions about possible appeasement of Red China.

Q What impression will all this make on the people of China? Won't they think of us as an aggressor, as the Red Chinese tell them?

A No.

Q Why not?

A You see, they don't emphasize that, but they emphasize how much they have been defying you and how the United Nations is begging them for the release of the prisoners, and so on. They are trying to play up to the populace over there that they are now so strong that they can defy anybody, including you, you see.

Q Do you believe there's any possibility of solving this problem with a "two China" settlement—a government on Formosa and another on the mainland?

A I think it is absolutely impractical and absurd. Why impractical? Because neither side will agree to it. It's like a four-way stop on a highway—when all the cars don't obey the injunction, there's bound to be collision, you see. The Nationalist Government cannot afford to accept this idea because that will mean that they will have to renounce their claim that they are the only legal Government of China—their *raison d'etre.*

Q But if they admit Red China to the United Nations, wouldn't that be enough for Red China without Formosa?

A That's why I talk about the Nationalist Government first. But the Nationalist Government, you may say, doesn't amount to much. Anyway, they cannot keep on the fighting unless the United States supports it. So, that's the Nationalist Government side. Even if it is not agreed that the Nationalist Government does not amount to much, the Nationalists cannot keep up the fighting unless you back them up.

But Red China is different, you see. Red China is determined on having Formosa. Even if you admit them into the United Nations, even if you seat Red China in the Security Council, even if you agree to all that, they'll still want Formosa.

HOW RUSSIA WOULD HELP—

Q Do you think that the Russians would assist them—the Red Chinese—if they went after Formosa?

A No. The Russians will assist in the back, behind the curtain always, but not in the front.

Q Do you think the Nationalists could raise an army quickly if they landed?

A No. I rather rely on the populace. In case we really get a good government in Formosa, when we make the invasion I think the populace will come up and sabotage everything and every man will become a guerrilla.

Q Do you feel that the Communists are there to stay—that they are going to dominate this situation for many years to come, or will they be dislodged in a reasonably short time?

A Well, if they can be dislodged, the next five years is the critical time. If they don't get dislodged within the next five years, they will not be dislodged—and not only will they not be dislodged but the United States will be in great peril.

Q The United States will be in peril?

A The whole free world will be in peril.

(Continued on next page)

. . . "If Reds not dislodged—loss of Southeast Asia in 5 years"

Q Why do you say they will be a peril to us if they are not dislodged?

A In case they don't get dislodged within the next five years, I foresee probably the loss of the whole Southeast Asia to the Communists within the next five years.

Q That's where the resources are—in the South?

A Well, that's their plan. They are planning to do so.

Q Do you foresee China's becoming a military nation?

A Well, if any Communist nation is, but it's different from our conception. I mean they drive people to be slaves, they drive people to be soldiers, fighting against their will.

Q Haven't they got to build a navy?

A Well, I think they will have submarines. Even now you get reports that the Russians are beginning to supply the Chinese Reds with submarines.

Q China is a large country but with such little internal communication, how are they ever going to organize and transport large armies to Southeast Asia or anywhere else?

A They don't exactly do that. You see, they have tried to overthrow Indo-China with Indo-Chinese. They are going to use Thais to overthrow Thailand, and Indonesians to overthrow Indonesia.

SOUTHEAST ASIA'S DANGER—

Q Do you think Southeast Asia is in a position to resist?

A It is in mortal danger.

Q What about the Chinese who are in Southeast Asia, the so-called "expatriated" Chinese?

A The Chinese overseas—that's exactly another reason you must consider now for not appeasing Red China in this question over Formosa. Once you liquidate the Nationalist Government, then the overseas Chinese have nobody else to look to, and they will have to more or less look to Red China. So, you've got to consider that, too.

Q What is the importance of those overseas Chinese?

A They are very important. Altogether about 13 million Chinese are overseas, and somewhere about 11 million are in that Southeast Asia zone.

Q Are they the people who control the businesses?

A Yes. You know, the Chinese are traders, the entrepreneurs.

Q Should we expand our trade with Red China? Would it be to our advantage? Some people are saying that that's one way to get into China and get on better terms with the people, and so on. What do you think of that?

A In my opinion, you just have to make up your mind now how to deal with the Communist world. You see, your present policy is still based on two ideas. On the one side, you are thinking of "peaceful coexistence," which was given out by the Communists in order to appease your hopes and is wishful thinking. Second, you want to adopt a policy which tries to "contain" Communism.

Q Either "peaceful coexistence" or "containing" them?

A All your thinkings are based upon those two lines. I believe those lines are fundamentally wrong. The Communist Party is ruled by the Communist International, and Red China is doing all the aggression, not the Chinese alone, but under the orders of the Eastern Asia Bureau of the Communist International. And they don't want "peaceful coexistence"—they want to conquer the whole world.

Q What about trade? Wouldn't trade enable us to get in there?

A If you want to decide upon a policy that is not going to be "containment," is not going to be "peaceful coexistence," but is going to be a struggle, then all those policies, like trade and all that, will fall into a certain pattern. You would want to keep up trade only because you have got this idea of "containment," of "peaceful coexistence." I don't believe in either of them. I think in a few years I will be vindicated in my beliefs.

Q In the matter of trade, won't they begin to establish trade with other countries? After all, the Allies are divided, and if we say we won't trade, that doesn't prevent the British, or India, or all those countries from trading, does it?

A I think the important key is Great Britain. You should get Great Britain with you and have a thorough discussion of the problems which face India, and which policy is the best out. I think you should try to convince Great Britain that the idea of "peaceful coexistence" and "containment" is wrong and will lead to the free world's elimination.

Q Well, you can't convince Great Britain, can you, when she has Hong Kong to worry about?

A Hong Kong is just a small thing now. For instance, now, why has not Red China taken Hong Kong?

Q Well, why haven't they taken Hong Kong?

A Exactly. You see, Red China claims to be—well, they clamor for the liberation of the whole earth, because they claim to hold this territory of China. Now, Hong Kong was exactly the former territory of China.

Q Is it "British colonialism" in Hong Kong?

A That's right. Furthermore, the Reds have to fight your Seventh Fleet, to fight the troops of Chiang Kai-shek before they can take Formosa, which is a very difficult job. But if they want to take Hong Kong, it is a very easy one. They have paid Hong Kong into submission, you know.

Q Your theory is that if the Communist Chinese really wanted all their own territory back, they wouldn't worry so much about Formosa, they would go and take Hong Kong?

A Well, yes. But you see, the reason why they don't take Hong Kong is because it is a wedge.

Q They don't want to antagonize Great Britain?

A They want to use Hong Kong as a wedge to be driven between you and Great Britain. Should they take Hong Kong by force, they would inevitably drive Great Britain to adopt a sterner policy toward them, and follow your leadership.

WHAT BRITAIN FEARS—

Q What is Great Britain going to do? Will she side with the Red Chinese in order to save Hong Kong?

A As for Great Britain, I don't think they are preoccupied just with Hong Kong. Their preoccupation is about their position in the future world—Great Britain as a nation—their position as a world power. They figure that in case a third world war comes—they don't want that to come because Great Britain will be in danger of being relegated to a third or fourth-rate power, and therefore they want to keep on dragging along the situation.

Q Well, then, what do you think Great Britain will do in the long run?

A If, for instance, this year or next year, suppose Thailand becomes lost again, and the whole of Indonesia becomes lost again, I think Great Britain will see the light. I only hope they will see light earlier, because otherwise the situation will become so bad it may be too late.

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Does carrier pay property taxes on its "roadway" for support of the general services of government?	YES	NO	NO	NO	NO
Does carrier meet all its true costs instead of being helped by tax money?	YES	NO	NO	NO	NO
Is carrier compelled to maintain routes and services which do not pay their own way?	YES	NO	NO	SEE NOTE #1	NO
Are carrier's rates regulated by government agencies?	YES	SEE NOTE #2	SEE NOTE #3	YES	YES

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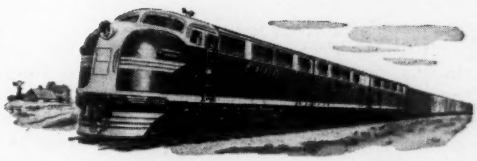


Association of American Railroads

WASHINGTON 6, D. C.

Chiang Kai-shek Says:

RED ASSAULT ON FORMOSA "MAY COME ANY TIME"

Japan, Philippines Next If It Falls, Generalissimo Warns

What are the risks of a big war in Asia? How much would landings on the Chinese mainland increase them? How good is the Chinese Red Army? What is the best way to free the 11 Americans held by the Reds?

Chiang Kai-shek, President of Free China, now gives his ideas on these and other critical Far Eastern problems. His views were obtained in Formosa recently by Fulton Lewis, Jr., the commentator, in an interview which was filmed and recorded for television and radio.

Madame Chiang also took part in the discussion, at the Presidential Palace in Taipei, Formosa.

Following is the full text of an interview between Generalissimo and Madame Chiang and Fulton Lewis, Jr., as recorded for January 28 broadcast:

Q Is Japan important in the anti-Communist defense ring or chain in the Western Pacific?

A Yes, Japan occupies an important position in the defense of the Western Pacific.

Q Is Korea?

A Yes, if Korea should fall into the hands of the Communists, militarily Japan's position would be untenable, and the security of the Western Pacific would be jeopardized.

Q In the case of Nationalist China, do you consider that it is necessary for Red China to commit any further acts of war, to justify an attempt on your part to invade and liberate the mainland?

A China mainland is an integral part of the territory of the Republic of China. To recover the mainland is not only our supreme mission but also our inherent right. We are entitled to achieve this mission at any time. There is no need for any pretext to justify our act of liberating the mainland.

Q Is any question of a so-called act of war involved in your relationship to Red China?

A The Chinese Communists are the rebels of the Republic of China. Any punitive action taken by the Government of the Republic of China against the Communist rebels is purely a matter of our domestic concern. As we do not recognize the belligerency of the Communist bandits, the question of "act of war" does not arise.

Q In the event you invade the mainland, do you expect to receive positive assistance and support from the Chinese people?

A Most certainly. For over 95 per cent of the Chinese people on the mainland support Free China in their hearts. The Communists cannot rely too much on their soldiers either. I dare say a very high percentage of the Communist soldiers will defect to our side when the time comes.

Q If so, what leads you to that expectation?

A You need only look at the over 14,000 Communist soldiers in the POW camps in Korea who refused to return to the Communist mainland where they had their own families but chose freedom and came over to Taiwan [Formosa]. This should be an example clear enough to explain my point.

Q Do you believe that a Nationalist invasion of the Chinese mainland would lead to World War III?

A No. As I said above, it is purely a domestic problem. No foreign troops should be involved. There will be no world war unless the Russian imperialists find themselves fully prepared and wish to start the war on their own initiative. They have their timetable for conquest. They will not change it just because of us unless it suits their purpose at the same time.

Q Could or would Russia, in your opinion, come to the effective support of Red China in the event of such an invasion?

A The occupation of the mainland by the Chinese Communists was entirely engineered by the Russian imperialists. In other words, we may say that the mainland is occupied by the Russian imperialists and that the Chinese Communists are but their puppets. If we should launch our counterattack against the Communists on the mainland, the Russian imperialists would naturally give them support. But I am sure she would not participate in the war openly.

Q What would India do?

A If she means what she says, her action should not go beyond strict neutralism, on which she has been harping all the time.

Q What would Viet Minh do?

A Before Viet Minh could seize the whole of Indo-China, they are only a burden to the Chinese Communists. Therefore, they could not be of much help to the Chinese Communists.

Q What sort of equipment is the United States supplying to the Nationalist Government; i.e., is it strictly "defensive equipment" as was done originally in the case of South Korea, or is it equipment that permits utilization of the strategy that the best defense is an offense?

A It is difficult to draw a hard and fast line between what is a defensive weapon and what is an offensive weapon.

Q What caused the downfall of the Nationalist armies on the mainland?

A [by Madame Chiang] There were many reasons, but one of the main contributory causes of our military defeat may be attributed to political failure. And the political catastrophe was caused by the lack of faith on the part of the people and some members of the Government and the Kuomintang so that they fell easy prey to the vicious propaganda and peace offensive of the Communists and their fellow travelers under the slogan of "coalition government," which was equivalent to their present formula of "peaceful coexistence."

Q Was there any evidence at the time that the Nationalist Government or military was infiltrated by the Communists?

A [by Madame Chiang] Yes. Due to the credulity of members of the Government and of the Kuomintang and their mistaken belief in the possibility of peaceful coexistence with the Communists, Communist infiltration was greatly facilitated.

Q Do you believe that the new mutual-defense treaty with the United States will have any psychological effect on the Communists?

A The psychological effect is very great indeed. You would know how badly they have been smitten by the announcement of the new treaty if you only hear how loudly they denounce it.

Q Do you believe, under the treaty, that any attempted invasion of Formosa or the other islands covered by the treaty could be repulsed?

A I have no slightest doubt about that.

Q What do you believe is the ultimate goal of Communist China?

A The Chinese Communists are not supposed to have any goal of their own. They have to take the goal of their Russian masters as their own goal. The ultimate goal of the Russian imperialists is what they call the "liberation," and what we call conquest, of the whole world.

Q In the event of a successful Communist invasion of Formosa, which God forbid, what would happen to the Philippines, New Zealand and Japan? What about Australia, or would he try that?

A We have a saying in Chinese: "When the lips are gone, the teeth feel cold." If Taiwan falls to the Communists, before long you will hear the Communist clamor for "the liberation of Japan" and "the liberation of the Philippines." There can be no doubt that Japan and the Philippines are next to Taiwan on the schedule of Red aggression. New Zealand and Australia probably would still be too far for the Communists to get at. But, the point is, once you allow an aggressor to succeed in one region without much resistance, there is no telling when and where his aggression would stop.

Q Is it your anticipation that South Korea might seize the opportunity of a Nationalist invasion of the mainland for a counterstrike to take back North Korea from the Communists?

A I cannot tell what they would do, but I think they should be prepared for that eventuality.

Q Is there any indication at the moment that the Reds on the mainland are beginning to amass any concentrations of force that might indicate an attempted Formosan invasion within the next few weeks or months?

A The Communists have long been preparing for the invasion. They may come any time. Whenever they come, they will find us prepared for them.

Q Have you any information as to what portion of the Red Army in China is in voluntary service and what portion is in by forced conscription?

A If the Red Army on the mainland were run on voluntary basis, there would be no army worthy of consideration on the mainland. Most of the soldiers are impressed into the Red Army by forced conscription.

Q In regard to the 11 American prisoners of war, now under sentence by the Chinese Communists, does their case not constitute a breach of the terms of armed truce? If so,

—United Press

ON FORMOSA, CHIANG KAI-SHEK LOOKS TOWARD RED CHINA
"Whenever they come, they will find us prepared for them"

could that be considered as an act of war, or a justification for terminating the armed truce?

A As the exchange of prisoners of war forms an important part of the Korean armistice, withholding or sentencing any of them to imprisonment constitutes a serious breach of the armistice. Needless to say, breach of the truce by one party relieves the other party from the obligation of abiding by it.

Q As one who is familiar with the so-called "Oriental mind," in the case of Mao Tse-tung you may have expectations of a chain of chess plays on his part regarding the 11 American prisoners of war; and how would you explain the timing of his announcement about the conviction and imprisonment of those men? Do you think the Communist action regarding these prisoners of war could be part of a devious line of reasoning to pressurize for admittance to the United Nations?

A I do not see any special significance in this recent Communist outrage. Nor do I think its commission was decided by any time factor. It is merely one of the recurrent outbursts of anti-American feelings. They have not found it quite so easy to keep up the anti-American sentiment of the Chinese people on the mainland, and so must invent some "American plots" from time to time to convince the Chinese people that the United States is the real enemy of the Chinese people.

With regard to the suggestion that the Communists are trying to get into the United Nations by imprisoning the 11 American airmen, I think that would be a very curious way of thinking on their part. If they cannot shoot their way into the United Nations, how do they expect to blackmail their way into that organization? These 11 airmen are not just United States soldiers; they are also United Nations soldiers. I do not see how the United Nations could admit the Chinese Communists after they have so badly treated these United Nations soldiers.

Q Do you believe that reasonable discussion and representations, without additional material or other pressure, perhaps in graduated degree, will ever procure release of the 11 prisoners?

A I think this is no longer a problem for the United States alone. The prestige of the United Nations is involved. If the Chinese Communists dare defy the United Nations openly, they will be made to bow to justice, and the imprisoned airmen will ultimately be released. However, the United Nations must be prepared to take a more positive course in case of further Communist intransigence.

Q There is talk of many sorts by many leading figures in the United States, including Senator Knowland, of California, that we should serve an ultimatum on Mao that unless the Americans are released we will enforce a full-fledged naval blockade on Red China. First, to what extent do you believe we could make such a blockade effective? Second, what would be the results of such a blockade on Red China's economy? And, third, what would be the effect on Mao?

In asking this question, I want to ask it hypothetically, without applying the answer to this particular case, and without involving the merits or demerits of Senator Knowland's position or that of anyone else. In short, the question is: What would happen in the case of any blockade of Red China?

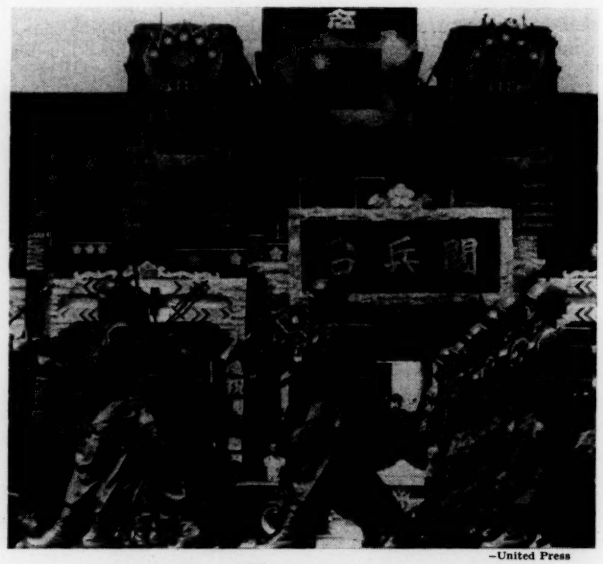
A I don't propose to enter into the technicalities of blockade. I am sure, however, it will affect the vital interest of the Chinese Communists. It will deal them a fatal blow. This is the sure way to secure the release of the 11 American airmen in the last resort.

Q There is a line of argument in some top Washington circles that any attempted duress on Mao, in this regard, would threaten him with loss of face, and would insure that they never would be freed. Perhaps I do not understand "face" or diplomatic logic, but could you throw any light on that thought?

A [by Madame Chiang] What the Communists reckon with is realistic interest, and, particularly, the interest of the Communist fatherland—imperialistic Russia—comes above all. If the Russian imperialists think that it is in their own interest to release the 11 United Nations airmen, the Chinese Communists will have to release them, in spite of the fact that they will lose "face" in so doing. For this reason, I think you must not deal with the Chinese Communists alone if you want to settle this problem.

Q Japanese leaders persistently harp on the theme that the cure-all for their economic troubles is the restoration of full trade with China, thus re-establishing the former markets there for Japanese processed goods. Do you agree with this?

A Even before the war, with their cheap labor and protection from their armed forces, the Japanese trade with China was not impressive when compared with their trade with countries such as the United States. But now, with their high cost of production, strict regulation of trade by the Communists and lack of demand for consumer goods on the part of the Communists, the Japanese will find that their hope for profitable trade with the Communists is nothing but an illusion. Whatever trade that the Communists consent to carry on with Japan, they would seek to impose political conditions with it so as to facilitate their infiltration and subversive activities in that country.



—United Press

CHIANG'S TROOPS: "To recover the mainland is . . . our supreme mission."

Q I am much impressed with the land reform here in Formosa, and also was impressed by the land reform in Japan. To what extent has the much-touted land reform of the Communists in China been effective and successful, and have they accomplished any increased productivity on the part of the farmer?

A The so-called "land reform" of the Communists is to convert many small landlords into one more ruthless and more-exacting state ownership. Their program has been completed at the expense of productivity. Famine has become the order of the day. Such is their land reform.

Khrushchev's Pep Talk:

HOW RUSSIA EGGED ON CHINA TO CHALLENGE U.S. OVER FORMOSA

Russia's No. 2 man—Nikita Khrushchev—helped push Communist China into challenging the U. S. over Formosa.

Khrushchev, in a fire-eating speech before China's Communist leaders in Peiping, told the Chinese to go out and destroy the Nationalist forces of Chiang Kai-shek.

Text of this address, now available, blames U. S. for unrest in Asia, charges Americans with seizing Formosa as a "military base," calls on China's Communists to take over.

What follows is important, thus, as a clear sign of Russian prodding behind the challenge issued now by Red China's Premier.

Following are excerpts from a speech made in Peiping Sept. 30, 1954, by Nikita S. Khrushchev, First Secretary of the Central Committee of the Soviet Union's Communist Party, including notes regarding applause as carried in Russian newspapers:

The Soviet Union at the present time, just as always, is consistently pursuing a peaceful policy, is striving to settle all disputed questions by peaceful means, by means of negotiation. Thanks to the efforts of the Soviet Union, the Chinese People's Republic and other peace-loving states, the wars in Korea and Vietnam have been halted. *[Prolonged applause]* . . . As is known, the Soviet Union is persistently striving for the reduction of armaments in all states and the banning of atomic, hydrogen and other mass-destruction weapons.

But we cannot but realize that the enemies of peace have as their goal to plunge mankind into a new world war, to thwart the peaceful construction of the peoples of democratic countries. . . .

The peace-loving peoples know that the imperialist aggressors are attempting to impose their domination on the peoples of Asia, to ignite a center of war here. The imperialists are supporting and arming the Kuomintang bands which have entrenched themselves on the Chinese island of Taiwan [Formosa] seized by the American military machine.

They attempted to provoke a war against China by beginning aggression in Korea. But the Army of the Korean People's Democratic Republic and the valorous Chinese volunteers dampened the ardor of the aggressors. *[Prolonged applause]* The immortal feat of the Chinese People's Volunteers who came to the aid of the Korean People's Democratic Republic in a difficult hour strengthened forever the fraternal alliance and friendship of the Chinese and Korean peoples and was most striking evidence of the indissoluble bonds which link the peoples of Asia. *[Applause]* The sign of the new era which has ensued in the East, which signifies the determination of peoples of Asia to find and defend their national freedom and independence, found its expression in this. *[Prolonged applause]* .

The United States of America is hindering the Chinese people in every way possible in fully restoring the territorial integrity of its motherland, in liberating the island of Taiwan, an integral and legitimate part of China. And this is being done despite the fact that in a number of international documents, in particular in the Cairo Declaration of Dec. 1, 1943, the U.S.A. generally admitted the territorial integrity of China, and the island of Taiwan as an inseparable part of China.

It was pointed out in a declaration of the U. S. State Department published in February, 1950, that if the U. S. Government had at the present time begun to strive for a change in the position of Taiwan, then "this would be interpreted by almost everyone on the Continent of China and also throughout Asia as an attempt by our Government to separate Formosa (i.e., Taiwan), from China, which violates our obligations." The ruling circles of the U.S.A. violating obligations assumed by them, occupied Taiwan, transformed it into their military base for attack on continental China and for suppressing the national-liberation movement for peoples of Asia.

The aspirations of the Government of the Chinese People's Republic, the desire of the entire 600 million Chinese people to liberate the island of Taiwan, which is an inseparable part of Chinese territory, are near and understandable to the Soviet Union. *[Thunderous, prolonged applause]*

When the working people of our country, having routed the capitalists, had just begun to build their people's socialist state, international imperialism threw in all its forces to strangle our young Soviet Republic, to tear it to pieces. But all the attempts of the imperialist robbers failed. *[Applause]*

This is why the Soviet people expresses its deep sympathy to the great Chinese people in its noble cause and supports its determination to liberate its brothers who are still languishing under the yoke of the Kuomintang clique on the island of Taiwan, to liquidate the traitorous Chiang Kai-shek band which has entrenched itself there. This is the realization of the sovereignty of China. *[Prolonged applause]* We are firmly convinced that right will triumph. Taiwan will be liberated and reunited with all its great country—the Chinese People's Republic. *[Thunderous, long, unabating applause]* . . .

It is clear to every sensible person who wishes to take facts into account, to consider the logical course of history, that at the present time it is impossible without the participation of the Chinese People's Republic to settle international problems and to bring about a diminution of tension in inter-

national relations and the peaceful settling of disputed questions. *[Prolonged applause]* . . .

The role of the Chinese People's Republic at the Geneva Conference was new evidence of its growing influence and international authority as a great power. Its peace-loving position won the warm support of all freedom-loving peoples of the world. *[Thunderous, prolonged applause]*

The Chinese People's Republic came out as the initiator of consultations between countries of Asia for the purpose of taking joint efforts by means of appropriate mutual obligations for maintaining the peace and security of countries of Asia. This noble initiative of our great ally was supported by the Soviet Union, the countries of people's democracy, India, Burma and other countries.

A practical implementation of this initiative by the Chinese People's Republic were the talks between Comrade Chou En-lai, Premier and Minister of Foreign Affairs of China, and Mr. Nehru, Prime Minister and Minister of Foreign Affairs of India. During these talks, principles were worked out which could be taken as the basis of relations not only between China and India, but also between all countries. . . .

But the aggressive forces of the imperialist states are adhering to different principles. They are attempting to forge various aggressive alignments both in Europe as well as in Asia. The organizers of the recent conference in Manila, who decided to forge a new military alignment of colonial powers in order to maintain their economic and political conditions in Asia, pursued precisely such aims. It is impossible to consider this conference in Manila and the treaty [Southeast Asia Treaty Organization] signed there as anything other than actions directed against the interests of security in Asia and in the Far East and at the same time against the interests of the freedom and national independence of peoples of Asia.

Aggressive circles of certain states, and of the U.S.A. first of all, are attempting in every way possible to eliminate the C.P.R. from participation in settling international problems. The absurd character of this policy, which is preventing the Chinese People's Republic from occupying its legitimate seat in the U. N., has become particularly obvious at the present time. . . .

FOR AMERICANS: LAUGHTER

There are objective laws of history, laws of development of human society. They are subject neither to dollars nor to American Senators. *[Laughter in the hall, applause]* They are stronger than the opinion of the Nixons and Knowlands, the Radfords and McCarthys. The Chinese people will never permit the return to its native land of foreign monopolies, or national traitors. *[Thunderous applause]* It is vigilantly guarding its great achievements, vigilantly standing on guard over the cause of peace and security of peoples. People's China is traveling its own true road, exerting ever-growing influence on the development of world history. *[Thunderous, prolonged applause]* . .

The significance of the triumph of revolution in China is great, as is also its influence on the struggle for national freedom and independence of the suppressed peoples of Asia. The triumph of the Chinese revolution shows that old Asia, whose lot was unrelieved oppression and enslavement of the peoples by foreign forces, is developing irrevocably away from the past.

None of the dark forces of imperialism and reaction will succeed in disrupting the great process of the regeneration of the peoples of Asia, which comprises one of the most important features of our age and which opens up inspiring prospects for the further development of the struggle for peace and progress for all mankind. *[Prolonged applause]*

The peoples of colonial and dependent countries see in the victory of the Chinese revolution, and also in the successes of the Chinese people in constructing a new life, a brilliant example of what most tremendous feats a people is capable of, having once become lord of its own fate. *[Storms of applause]* . . .

The Communist Party of China worked out the wise strategy and tactics of the Chinese revolution and enlisted the broadest masses of the people into the liberation struggle. It became the great force in rallying the whole Chinese people, all its healthy patriotic forces, to the struggle against imperialism and for the formation and consolidation of a people's democratic state, for the carrying out of great revolutionary transformations. *[Prolonged applause]* Now the Communist Party of China, which has shown the Chinese people the true path to socialism, is successfully directing the Chinese people's struggle to industrialize the country and to construct the foundations of a socialist society. *[Prolonged, thunderous applause]* . . .

—Sovfoto

NIKITA S. KHRUSHCHEV . . .

Dear Comrades: The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, the Council of Ministers of the Union of Soviet Socialist Republics and the Central Committee of the Communist Party of the Soviet Union have entrusted to our delegation the task of conveying to you the following greeting:

"To the Permanent Committee of the All-Chinese Assembly of People's Representatives; to the Chairman of the Chinese People's Republic, Comrade Mao Tse-tung; to the Government Council of the Chinese People's Republic; to the Central Committee of the Communist Party of China–

"The Presidium of the Supreme Soviet of the U.S.S.R., the Council of Ministers of the U.S.S.R. and the Central Committee of the Communist Party of the Soviet Union, on behalf of the peoples of the Soviet Union, send you and the whole Chinese people their fraternal greetings and hearty congratulations on the occasion of the fifth anniversary of the formation of the Chinese People's Republic. *[Thunderous, prolonged applause, developing into an ovation]*

"The world-historic victory of the Chinese people's revolution completes a whole epoch of heroic struggle by the Chinese people for freedom and independence, against the domination of foreign imperialism and feudal reaction. There have opened up before the Chinese people broad prospects for the all-round development of the economy, the prosperity of the national culture and the increase of the material well-being of the working people.

"Over the last five years the working people of China have, as a result of their unselfish labor under the guidance of the Communist Party, achieved outstanding successes in creating and strengthening the people's democratic system. Agrarian reforms have been completed which have put an end to feudal oppression in the country. All the branches of the national economy are steadily advancing along the path of advancement and the material and cultural level of life of the whole people is rising. Having restored the economy, the Chinese people has now proceeded to carry out the socialist industrialization of the country and to the gradual implementation of socialist reforms in agriculture, in industry and in trade.

"The Communist Party and the people's Government have rallied the Chinese people into a mighty and invincible force. In the struggle against the imperialistic oppressors and against the internal counterrevolutionary forces, there grew up and strengthened the indestructible alliance of workers and peasants—the basis of the people's democratic system. The great Constitution of the Chinese Republic, adopted by the All-Union Assembly of People's Representatives, has confirmed the successes of the Chinese people and determined the path of the country's advance to socialism.

"As a result of the victory of the people's revolution and the successes which have been achieved over the past five years in constructing a new life, the Chinese People's Republic has transformed itself into a powerful factor in the liberation struggle of all oppressed peoples against the forces of imperialist reaction and colonial enslavement for their freedom and national independence. *[Prolonged applause]* The Chinese People's Republic has entered the world arena as a great power and has become a mighty force in the general struggle of the freedom-loving peoples for international security and peace throughout the world. *[Thunderous, prolonged applause]*

"The inspirer and organizer of the outstanding successes of the Chinese people is the heroic Communist Party of China. True to the banner of Marxism-Leninism and to the cause of proletarian internationalism, the Communist Party of China is leading the great Chinese people to new victories. *[Prolonged applause]*

"The peoples of the Soviet Union are commemorating with a feeling of great joy the historic victories of the fraternal Chinese people. *[Prolonged applause]*

"With all our hearts, we wish the Communist Party of China, the people's Government, the working class, the peasantry, the intelligentsia and all the working people of the Chinese People's Republic new successes in the struggle for complete victory over the enemies of the Chinese people and for the conversion of China into a mighty socialist power. *[Thunderous, prolonged applause]*

—Eastfoto

. . . "The Communist Party . . . is leading the great Chinese people to new victories"

"May the indissoluble friendship and close co-operation between the peoples of the Chinese People's Republic and the Soviet Union strengthen and develop! *[Thunderous, prolonged applause]*

"Long live the Communist Party of China—the tried leader of the Chinese people! *[Thunderous applause]*

"Long live the Government of the Chinese People's Republic! *[Storms of applause]*

"Glory to the great Chinese people! *[Storms of applause]*

"The Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics;

The Council of Ministers of the Union of Soviet Socialist Republics;

The Central Committee of the Communist Party of the Soviet Union."

[The delegates and guests arise. There is thunderous, prolonged applause throughout the hall, developing into an ovation.]

Formosa's Future—

IKE'S STERN WARNING, CHOU'S BRISTLING REPLY

Why is President Eisenhower determined to defend Formosa and the Pescadores islands if they are attacked by Chinese Communists? What makes these islands so important?

The answer is given here, in the message that the President sent to Congress asking authority to use armed force if necessary.

But what about the Chinese Reds? Will a firm stand by U. S. deter them from an attack? Or will this mean war?

You get here what Red China's Premier, Chou En-lai, says about that in a statement broadcast by the Peiping radio. It is a statement full of threats.

PRESIDENT: U. S. MUST "BE PREPARED" TO FIGHT

Following is the full text of President Eisenhower's message to Congress on Jan. 24, 1955:

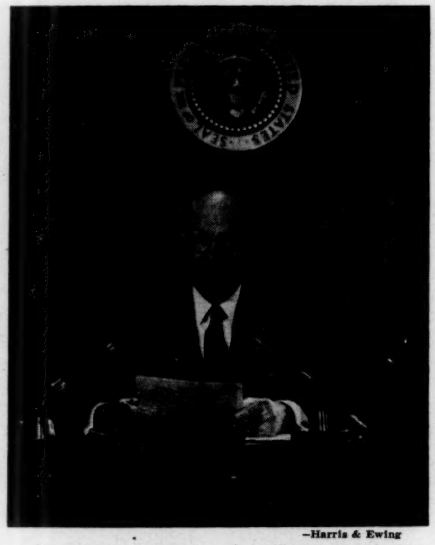
TO THE CONGRESS OF THE UNITED STATES:

The most important objective of our nation's foreign policy is to safeguard the security of the United States by establishing and preserving a just and honorable peace. In the Western Pacific, a situation is developing in the Formosa Straits, that seriously imperils the peace and our security.

Since the end of Japanese hostilities in 1945, Formosa and the Pescadores have been in the friendly hands of our loyal ally, the Republic of China. We have recognized that it was important that these islands should remain in friendly hands. In unfriendly hands, Formosa and the Pescadores would seriously dislocate the existing, even if unstable, balance of moral, economic and military forces upon which the peace of the Pacific depends. It would create a breach in the island chain of the Western Pacific that constitutes, for the United States and other free nations, the geographical backbone of their security structure in that ocean. In addition, this breach would interrupt north-south communications between other important elements of that barrier, and damage the economic life of countries friendly to us.

The United States and the friendly Government of the Republic of China, and indeed all the free nations, have a common interest that Formosa and the Pescadores should not fall into the control of aggressive Communist forces.

Influenced by such considerations, our Government was prompt, when the Communists committed armed aggression in Korea in June, 1950, to direct our Seventh Fleet to defend Formosa from possible invasion from the Communist mainland.



—Harris & Ewing

". . . to preserve the vital stake of the free world in a free Formosa"

These considerations are still valid. The Seventh Fleet continues under presidential directive to carry out that defensive mission. We also provide military and economic support to the Chinese Nationalist Government and we cooperate in every proper and feasible way with that Government in order to promote its security and stability. All of these military and related activities will be continued.

In addition, there was signed last December a mutual-defense treaty between this Government and the Republic of China covering Formosa and the neighboring Pescadores. It is a treaty of purely defensive character. That treaty is now before the Senate of the United States.

Meanwhile Communist China has pursued a series of provocative political and military actions, establishing a pattern of aggressive purpose. That purpose, they proclaim, is the conquest of Formosa.

In September, 1954, the Chinese Communists opened up heavy artillery fire upon Quemoy island, one of the natural approaches to Formosa, which had for several years been under the uncontested control of the Republic of China. Then came air attacks of mounting intensity against other free China islands, notably those in the vicinity of the Tachen group to the north of Formosa. One small island (Ichiang) [or Yikiangshan] was seized last week by air and amphibious operations after a gallant few fought bravely for days against overwhelming odds. There have been recent heavy air attacks and artillery fire against the main Tachen islands themselves.

The Chinese Communists themselves assert that these attacks are a

prelude to the conquest of Formosa. For example, after the fall of Ichiang, the Peiping radio said that it showed a "determined will to fight for the liberation of Taiwan (Formosa). Our people will use all their strength to fulfill that task."

Clearly, this existing and developing situation poses a serious danger to the security of our country and of the entire Pacific area and indeed to the peace of the world. We believe that the situation is one for appropriate action of the United Nations under its charter, for the purpose of ending the present hostilities in that area. We would welcome assumption of such jurisdiction by that body.

Meanwhile, the situation has become sufficiently critical to impel me, without awaiting action by the United Nations, to ask the Congress to participate now, by specific resolution, in measures designed to improve the prospects for peace. These measures would contemplate the use of the armed forces of the United States if necessary to assure the security of Formosa and the Pescadores.

The actions that the United States must be ready to undertake are of various kinds. For example, we must be ready to assist the Republic of China to redeploy and consolidate its forces if it should so desire. Some of these forces are scattered throughout the smaller offshore islands as a result of historical rather than military reasons directly related to defending Formosa. Because of the air situation in the area, withdrawals for the purpose of redeployment of Chinese Nationalist forces would be impractical without assistance of the armed forces of the United States.

Moreover, we must be alert to any concentration or employment of Chinese Communist forces obviously undertaken to facilitate attack upon Formosa, and be prepared to take appropriate military action.

I do not suggest that the United States enlarge its defensive obligations beyond Formosa and the Pescadores as provided by the treaty now awaiting ratification. But unhappily, the danger of armed attack directed against that area compels us to take into account closely related localities and actions which, under current conditions, might determine the failure or the success of such an attack. The authority that may be accorded by the Congress would be used only in situations which are recognizable as parts of, or definite preliminaries to, an attack against the main positions of Formosa and the Pescadores.

Authority for some of the actions which might be required would be inherent in the authority of the Commander in Chief. Until Congress can act I would not hesitate, so far as my constitutional powers extend, to take whatever emergency action might be forced upon us in order to protect the rights and security of the United States.

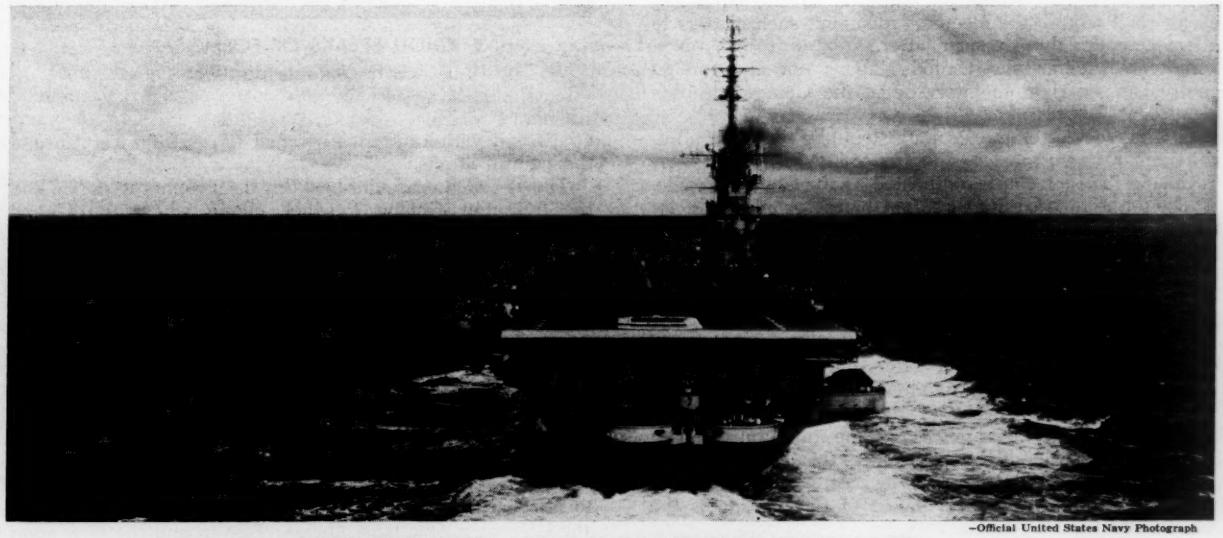
However, a suitable congressional resolution would clearly and publicly establish the authority of the President as Commander in Chief to employ the armed forces of this nation promptly and effectively for the purposes indicated if in his judgement it became necessary. It would make clear the unified and serious intentions of our Government, our Congress and our people. Thus it will reduce the possibility that the Chinese Communists, misjudging our firm purpose and national unity, might be disposed to challenge the position of the United States, and precipitate a major crisis which even they would neither anticipate nor desire.

In the interest of peace, therefore, the United States must remove any doubt regarding our readiness to fight, if necessary, to preserve the vital stake of the free world in a free Formosa, and to engage in whatever operations may be required to carry out that purpose.

To make this plain requires not only presidential action but also congressional action. In a situation such as now confronts us, and under modern conditions of warfare, it would not be prudent to await the emergency before coming to the Congress. Then it might be too late. Already the warning signals are flying.

I believe that the threatening aspects of the present situation, if resolutely faced, may be temporary in character. Consequently, I recommend that the resolution expire as soon as the President is able to report to the Congress that the peace and security of the area are reasonably assured by international conditions, resulting from United Nations action or otherwise.

Again I say that we would welcome action by the United Nations which might, in fact, bring an end to the active hostilities in the area. This critical situation has been created by the choice of the Chinese Communists, not by us. Their



—Official United States Navy Photograph

THE CARRIER ESSEX: A PART OF THE POWERFUL SEVENTH FLEET

"The United States must remove any doubt regarding our readiness to fight, if necessary"

offensive military intent has been flaunted to the whole world by words and by deeds. Just as they created the situation, so they can end it if they so choose.

What we are now seeking is primarily to clarify present policy and to unite in its application. We are not establishing a new policy. Consequently, my recommendations do not call for an increase in the armed forces of the United States or any acceleration in military procurement or levels of defense production. If any unforeseen emergency arises requiring any change, I will communicate with the Congress. I hope, however, that the effect of an appropriate congressional resolution will be to calm the situation rather than to create further conflict.

One final point. The action I request is, of course, no substitute for the treaty with the Republic of China which we have signed and which I have transmitted to the Senate. Indeed, present circumstances make it more than ever important that this basic agreement should be promptly brought into force, as a solemn evidence of our determination to stand fast in the agreed treaty area and to thwart all attacks directed against it. If delay should make us appear indecisive in this basic respect, the pressures and dangers would surely mount.

Our purpose is peace. That cause will be served if, with your help, we demonstrate our unity and our determination. In all that we do we shall remain faithful to our obligations as a member of the United Nations to be ready to settle our international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

For the reasons outlined in this message, I respectfully request that the Congress take appropriate action to carry out the recommendations contained herein.

DWIGHT D. EISENHOWER

The White House
Jan. 24, 1955

PREMIER: "CHINESE PEOPLE ARE DETERMINED"

Following, in full text, is a statement by Red Chinese Premier Chou En-lai, as broadcast by Peiping radio on Jan. 24, 1955:

The Government of the People's Republic of China has repeatedly and in solemn terms declared to the world that the Chinese people are determined to liberate their own territory of Taiwan [Formosa].

Since the recent successful liberation of Yikiangshan island by the Chinese people, the United States Government has stepped up its military operations to make war provocations and has, on the other hand, been engineering a conspiracy for a so-called cease-fire through the United Nations to intervene in the Chinese people's liberation of Taiwan.

Taiwan is an inalienable part of China's territory.

The liberation of Taiwan is a matter of China's sovereignty and internal affairs. No outside interference is allowed.

Article 2, paragraph 7 of the United Nations Charter also explicitly states: "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under the present charter."

Therefore, neither the United Nations nor any foreign country has the right to intervene in the Chinese people's liberation of Taiwan.

The Government of the People's Republic of China absolutely cannot agree to a so-called cease-fire with the traitorous Chiang Kai-shek clique repudiated by the Chinese people.

It should be pointed out that the Chinese people's exercise of their own sovereign rights in liberating China's mainland and many coastal islands has never caused tensions in the Far East.

The present tension in the Taiwan area can only be attributed to the fact that the United States Government has occupied Taiwan, shielded the traitorous Chiang Kai-shek clique and incessantly directed subversive activities and war threats against the People's Republic of China.

The so-called mutual-security treaty concluded between the United States Government and the traitorous Chiang Kai-shek clique has further heightened this tension and is seriously threatening peace in the Far East.

It is very obvious that the source of this tension is the United States and not China.

This tension will be eliminated as a matter of course if the United States drops its intervention in China's internal affairs and withdraws all its armed forces from Taiwan and the Taiwan Straits.

—Eastfoto

CHOU SPEAKS OF FORMOSA:
". . . an inalienable part" of China

The so-called cease-fire between the People's Republic and the traitorous Chiang Kai-shek clique which the United States Government and its followers are trying to engineer is in actuality intervention in China's internal affairs and alienation of China's territory.

They are using war threats and brandishing atomic weapons in an attempt to force the Chinese people into tolerating the occupation of Taiwan by the United States, giving recognition to the United States-Chiang Kai-shek mutual-security treaty, and permitting the use of Taiwan by the United States as a military base for preparing a new war.

The Chinese people absolutely cannot tolerate this. They firmly oppose it.

To safeguard China's sovereignty and territorial integrity, to safeguard the security of China and peace in the Far East, the Chinese people must liberate Taiwan and the U. S. must stop intervening in China's internal affairs and withdraw all its armed forces from Taiwan and the Taiwan Straits.

We've Been Asked:

ABOUT RAISES FOR CONGRESS

- **Congress is talking about voting itself a raise. At the same time, the salaries of the country's 369 federal justices and judges would be increased.**
- **Many groups are supporting the case for higher pay, but some Congressmen are wondering: Is it good politics to raise your own pay?**

Why are members of Congress planning to vote a raise in their salaries at this time?

The reason is that the last raise was given to Senators and Representatives in 1947, and since that time the cost of living has risen by one fifth and other expenses have gone much higher. Other employes of the Government and workers in most industries have had raises. Many members of Congress find it difficult to get along on what they are paid. One estimate is that it costs the average Congressman about $3,000 a year more than his federal salary to live.

How much of a raise is being talked about?

The suggestion getting most attention is an increase from the present $12,500 in salary to $20,000. Then members might keep their present expense account of $2,500 a year, for a total of $22,500. Some proposals before Congress call for higher amounts, one bill suggesting a total of $27,500 a year for each member.

Can members of Congress vote themselves an increase effective this year?

Yes, the members of Congress have given themselves immediate raises before. One of the bills before Congress would make the raise retroactive to last January 1. Another would hold up payment of the increase until January, 1956.

Would Senators get more than Representatives?

No, both would receive the same.

What is the objection to a raise?

One objection is that political critics would make use in the coming campaigns of the fact that members voted themselves a raise. That could possibly bring defeat to some members. Also some think that, if congressional salary is put high, making these offices more attractive, there would be much more competition for the positions. On the other hand, some argue, if the pay is not adequate, a premium is put on having outside income, and service in Congress is likely to be restricted to rich men.

Is the salary of members of Congress high enough to cover the costs of campaigns?

Far from it. A cheap campaign now is one costing $25,000 for a candidate for the House of Representatives. And a Representative must run every two years. That means that he usually must get campaign money from other sources. A cheap campaign for a Senator in a moderate-sized State costs about $100,000. To show how campaign costs mount up: In New York State last year more than 1 million dollars was spent in electing the Democratic candidate for Governor.

Where does this campaign money come from?

It comes from contributions mostly. That means it is put up by individuals or groups interested in having one candidate or another elected. Some of the money also comes from political parties supporting their candidates.

How much would the proposed raise cost taxpayers?

The total cost at the top suggested amount of $27,500 would be a little more than 6.6 million dollars a year.

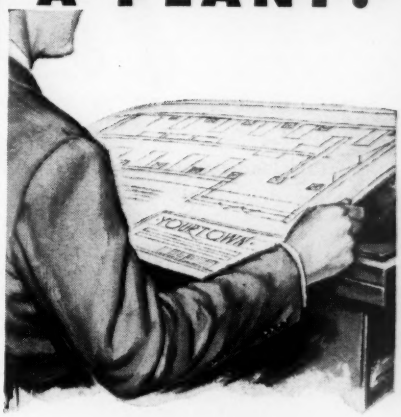
Are Congressmen seeking additional "fringe" benefits too?

Yes. Bills would allow payment for five or six round trips each year between home and Washington at actual cost of these trips. At present, members are allowed expenses for one round trip a year at 20 cents a mile, a figure first established for congressional traveling expenses in 1866.

Are raises for others suggested?

Yes. Bills before Congress call for large numbers of pay increases, with the Vice President, the Speaker of the House and the members of the Supreme Court at the top of the list. In addition to federal judges and U. S. attorneys, raises are proposed for postal workers and other Civil Service personnel. So Congress soon will decide whether to raise its own salary and also the pay for many other officials and employes.

PLANNING A PLANT?



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"HEART OF AMERICA"

You bring the blueprints . . . we'll do the rest! There are literally scores of lively, alert Missouri towns which are eager to erect a plant to your specifications . . . and lease it to you under favorable, long-range terms.

But this is just the first advantage you get in Missouri. Here is truly the crossroads of our nation . . . center of highway, air and rail transportation . . . junction of the world's greatest river system. In Missouri you'll find rich, untapped resources, skilled, willing workers and dependable, diversified markets.

Write for our list of communities that are interested in building a plant for you to lease. If you wish, we will also send you our current listing of Available Buildings now for sale or lease.

93B

MISSOURI DIVISION OF RESOURCES AND DEVELOPMENT

Dept. B-581 Jefferson City, Missouri

The Thinking of American

LUMBER DEALERS

and sawmill operators... find it profitable to mechanize more and more of their figure-work with the fully automatic Friden Calculator. The Friden short-cuts figuring on tally sheets, space estimates, conversion computations, invoicing

CHAIN FOOD STORES

...take inventory a cost-cutting, more accurate way on the fully automatic Friden Calculator. Quantities and prices are entered directly into the machine, eliminating writing, main office tabulating, extending and checking of inventory sheets

INSURANCE AGENCIES

...use the fully automatic Friden Calculator to insure accuracy and save time (often 50%!) in figuring commissions, premiums, prorata and short rate cancellations, endorsements

BANKS

...compute savings account interest swiftly and with unvarying accuracy on the fully automatic Friden Calculator; figure average daily balances, foreign exchange, average daily float, amortization, account costs, interest on notes, mortgages, small loans

PLUMBERS

...speed out material and labor estimates with the fully automatic Friden Calculator, also compute and check invoices, do payroll calculations, short-cut many other plumbing figure problems

RAILROADS

...mechanize system figure-work in all departments with the fully automatic Friden Calculator. Applications include interline freight abstracts, waybills, valuation, statistical reports, passenger accounting

MILK PLANTS

...handle milk check register calculations swiftly with the fully automatic Friden Calculator, also figure farmers' payrolls, drivers' load sheets, cost proration, discounts

STEEL MILLS

...streamline production (as well as payroll, cost sheets, tonnage and earnings reports) with the fully automatic Friden Calculator. Fridens estimate quantities and weights on contract specifications; figure weights and values on invoices

PUBLIC UTILITIES

...process volume figure-work in all departments with the fully automatic Friden Calculator. In engineering and maintenance operations, as in the general offices, Fridens reduce time costs on jobs from construction to billing

RESEARCH LABORATORIES

...work intricate equations, raise the power of numbers, determine correlations with the fully automatic Friden Calculator. With a touch of one key, the unique Friden Model SRW extracts square root automatically —for the first time on any desk calculator

AIR LINES

...use the fully automatic Friden Calculator to compute costs per plane mile and per ton mile flown; figure depreciation, freight bills, terminal and maintenance costs; for overhead allocation, payrolls, statistical reports

HOTELS

...prorate room charges, control stock inventories, watch daily costs and handle invoicing with the fully automatic Friden Calculator. Operating statements and payrolls are prepared this modern way

MOTOR FREIGHT FIRMS

...maintain hour-by-hour control of costs with the fully automatic Friden Calculator. Exclusive decision-making Friden features speed prorating of freight charges and the figuring of tariff computation, bills of lading, loading performance, payrolls

PAPER MILLS

and distributors... obtain the statistics and tabulations they need to control costs from tree to consumer with the fully automatic Friden Calculator. Fridens help maintain exacting quality standards, handle payroll calculations, compute invoices and inventory

LAUNDRIES

...reduce overhead by mechanizing figure-work with the fully automatic Friden Calculator. The Friden figures and checks driver tickets, wholesale tickets, route bonuses; prepares invoices payable, payroll and tax calculations, analyzes costs

PETROLEUM REFINERIES

...pace and regulate operations with the fully automatic Friden Calculator. Typical Friden jobs: Volume reductions to 60° F. using new ASTM-IP factors; making BS&W deductions; converting pounds to gallons, gallons to barrels, barrels to long tons, U.S. gallons to Imperial gallons

SCHOOLS

...teach business figure-work with time-saving modern methods on the fully automatic Friden Calculator. Payroll calculations, invoicing, inventory, percentages and interest are taught and learned more efficiently with this versatile "thinking machine"

ENGINEERS

...short-cut complex calculations in building and product design, construction, scheduling and cost finding with the fully automatic Friden Calculator. They whisk through trigonometrical and arithmetical work ...by a touch of one key extract square root automatically with Friden model SRW

Machine Business

Deep in the everyday figure-work of *all* business is America's most wanted, most needed calculator. Automatically—*without operator decisions*—the Friden performs more steps in figure-work than any other calculating machine ever developed. Operation is no problem: Anyone can use the fully automatic Friden with the simplest instructions. This Calculator so reduces job time on payroll, invoices, inventory, discounts and statistics that its cost is amortized quickly. Ask your nearby Friden Man to demonstrate time-savings *your* business can make with Friden figure-thinking.

FRIDEN CALCULATING MACHINE CO., INC., San Leandro, California.

DEPARTMENT STORES

...simplify figuring of accounts payable invoices with the fully automatic Friden Calculator, use Friden shortcuts on payroll and statistical calculations, expense distribution, inventory

RESTAURANTS

...use the fully automatic Friden Calculator to quick-check operating expenses, daily item costs, income and invoices, also for payroll and tax calculations

DRUGGISTS

...doing widely varying volumes of business reduce overhead operating cost with the fully automatic Friden Calculator. They use the Friden on inventory, to extend and audit invoices, for payroll and tax calculations

BUILDING and LOAN FIRMS

...compute interest on loans and savings in the simplest way with the fully automatic Friden Calculator, also prorate expenses and figure yields on investments

BUS LINES

...use the fully automatic Friden Calculator to compute costs per passenger mile, to total and analyze ticket sales, process payrolls and invoices payable, break down and allocate maintenance expenses

AUTO DEALERS

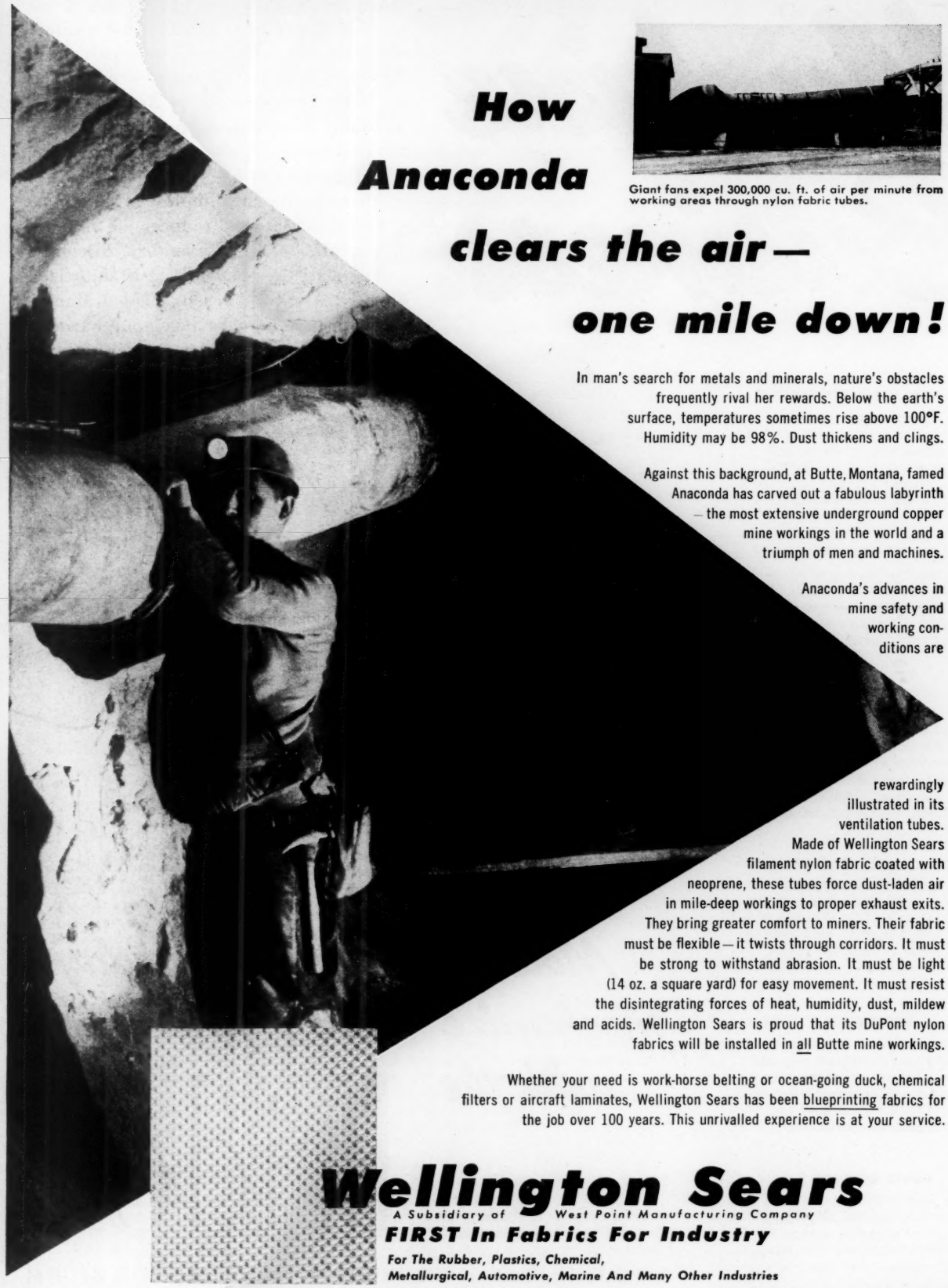
...use the fully automatic Friden Calculator for budgeting, daily operating control, auditing of invoices and repair orders, to take parts inventory, figure tax accruals

© *Friden Calculating Machine Co., Inc.*

More businesses every day mechanize their figuring with the

Friden

PRODUCTS OF FRIDEN ▸ THE AUTOMATIC CALCULATOR • THE NATURAL WAY ADDING MACHINE • THE COMPUTYPER • THE ADD-PUNCH MACHINE



How Anaconda clears the air— one mile down!

Giant fans expel 300,000 cu. ft. of air per minute from working areas through nylon fabric tubes.

In man's search for metals and minerals, nature's obstacles frequently rival her rewards. Below the earth's surface, temperatures sometimes rise above 100°F. Humidity may be 98%. Dust thickens and clings.

Against this background, at Butte, Montana, famed Anaconda has carved out a fabulous labyrinth — the most extensive underground copper mine workings in the world and a triumph of men and machines.

Anaconda's advances in mine safety and working conditions are rewardingly illustrated in its ventilation tubes. Made of Wellington Sears filament nylon fabric coated with neoprene, these tubes force dust-laden air in mile-deep workings to proper exhaust exits. They bring greater comfort to miners. Their fabric must be flexible — it twists through corridors. It must be strong to withstand abrasion. It must be light (14 oz. a square yard) for easy movement. It must resist the disintegrating forces of heat, humidity, dust, mildew and acids. Wellington Sears is proud that its DuPont nylon fabrics will be installed in all Butte mine workings.

Whether your need is work-horse belting or ocean-going duck, chemical filters or aircraft laminates, Wellington Sears has been blueprinting fabrics for the job over 100 years. This unrivalled experience is at your service.

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News YOU Can Use ®

IN YOUR PERSONAL PLANNING

24th and N Streets, N.W.
Washington, D. C.

There's widespread confusion about how dividend relief provided by the new tax law applies to stocks owned jointly by a husband and wife. We've gotten to the bottom of the matter, now are able to give you this guidance:

DIVIDEND RELIEF. Under the new law, stockholders can exclude from income the first $50 of dividends they receive. A man and his wife owning stocks individually would each get this tax break--a total of $100 on a joint return. But, when they buy stocks and have them registered in both names as joint owners, the law isn't clear whether each of them, or only one, can claim the $50 exclusion. Taxpayers trying to find out have been given different answers at different Internal Revenue Service offices around the country.

TAX CREDIT. We can tell you now, though, that a Treasury decision to settle the question is in the works. Best information presently available is that the tax collector is going to allow--on the usual kind of joint ownership of stocks--husband and wife a $50 exclusion each. Which spouse put up the money to buy the stocks isn't to make any difference. All this isn't official, of course. But it's a pretty good bet, based on the opinions of top sources in the Internal Revenue Service.

ENGINEERS. Tip for your youngster planning a career: Even though Government spending for research and development is dropping off, it's being counterbalanced by expanding programs in industry. Thus, an end of the manpower shortage in most engineering fields is not in sight. That, in sum, is the conclusion of two studies reported at the Scientific Manpower Conference in Berkeley, Calif.

BUYING A HOME. A new ruling by the federal tax collector calls attention to a point that applies when you sell your home and buy another. Ordinarily, if the cost of the new residence is more than the sale price of the old, you aren't taxable at that time on any gain realized from the sale. However, says the ruling, you must be the owner of the new home; otherwise the gain becomes immediately taxable. That situation would arise, for example, if you pooled the sale proceeds with funds contributed by, say, your sister and bought a residence for the two of you with the title in her name.

SOCIAL SECURITY. More liberal survivor benefits now in effect under the new Social Security law emphasize the importance of a little-noted step. That

(over)

step is to have a member of the family get in touch with the nearest Social Security field office after the death of a person who has paid Social Security taxes on his earnings. If this is not done fairly promptly, some benefits may be lost. For example, there's a one-year limit on how far back you can go to recover monthly checks that might have been paid. And the lump-sum death benefit isn't payable unless applied for within two years of the person's death.

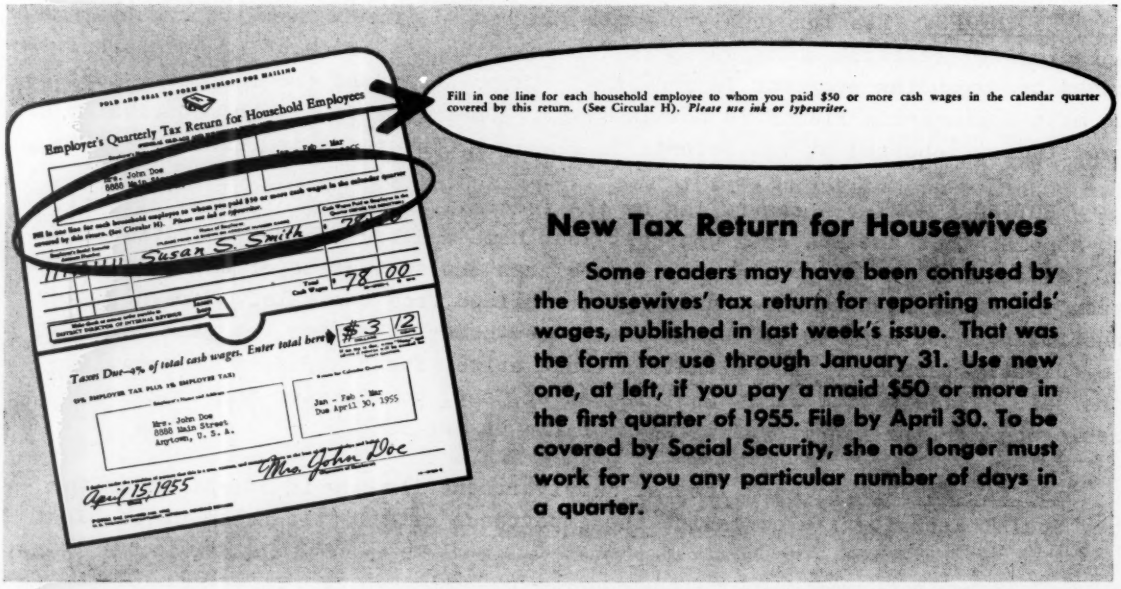
POISON. For children under 5, accidental death and crippling from household poisons is a greater threat than childhood diseases, the "Journal" of the American Medical Association reports. Chief causes of fatalities, it says, are drugs--mainly aspirin, with the sweetened and chewing-gum kinds being especially hazardous. Other household items, it warns, should be kept out of reach of little hands: Bleaching agents. Lighter and cleaning fluid. Kerosene. Furniture polish. Permanent-wave solution. Detergents. Nail-polish remover. Shampoos.

AMERICANS ABROAD. Changes in the new tax law affecting Americans living overseas are outlined in a just-revised Internal Revenue Service pamphlet. Title: "Income Tax Guides for U.S. Citizens Abroad." Copies, free from any district director of Internal Revenue or any State Department post overseas.

HOME REPAIRS. For those bothered about permit and insurance angles in doing home-repair jobs themselves instead of hiring a licensed workman:

Rules vary, depending on local ordinances and building codes. Usually, though, a homeowner can do his own electrical wiring, plumbing or whatever--if he really wants to tackle the job. He may have to take out a building permit and have the completed job looked over by a local inspector, however.

Suppose he fails to, and his house burns down because of defective wiring he put in, or suffers water damage because of his faulty plumbing job--will his insurance protection be voided? Insurance men tell us they know of no provision in the usual policy that would rule out a claim for such a reason.


Employer's Quarterly Tax Return for Household Employees
Fill in one line for each household employee to whom you paid $50 or more cash wages in the calendar quarter covered by this return. (See Circular H). Please use ink or typewriter.
Susan S. Smith
78 00
Taxes Due—4% of total cash wages. Enter total here
$3 12
Mrs. John Doe
0000 Main Street
Anytown, U. S. A.
Jan. - Feb. - Mar.
Due April 30, 1955
April 15 1955
Mrs. John Doe

New Tax Return for Housewives

Some readers may have been confused by the housewives' tax return for reporting maids' wages, published in last week's issue. That was the form for use through January 31. Use new one, at left, if you pay a maid $50 or more in the first quarter of 1955. File by April 30. To be covered by Social Security, she no longer must work for you any particular number of days in a quarter.

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NEW YORK • TORONTO

Special Report

(This article represents the result of an extensive research on a problem of outstanding importance.)

HOW LONG CAN BOOM IN HOUSING GO ON?

WHY COMPETITION IN HOUSING IS COMING BACK

1. Homes are being built faster than needed to house new families.

1954 FACTS —

Dwellings built	1,215,000
Households formed	619,000

1955 ESTIMATES —

Dwellings to be built	1,300,000
Households to be formed	629,000

2. Apartments are easier to find. Average vacancies in postwar projects:

1953 —
31 apartments vacant out of each 1,000

1954 —
41 apartments vacant out of each 1,000

1955 —
Vacancy rate continues to rise

3. Rent increases, which once spurred buying of houses, are about over.

1953 —
5.7 per cent rise in rents

1954 —
1.4 per cent rise in rents

1955 —
Rent rise expected to end

Source: BLS, FHA, Department of Health, Education and Welfare

© 1955, By U. S. News Pub. Corp.

Signs are piling up of a basic change in real estate. Some apartment buildings are proving hard to fill. Rents in spots are being cut. A few landlords are going out of business.

Prices of old houses are down. Sales take longer to make.

These trends run counter to the heavy building that is going on. The experts are beginning to speculate on what it all means.

Fresh evidence in the real estate market is prompting this question: Will the boom in building soon pass its peak and slacken somewhat?

The question, for the moment, isn't worrying the builders, who started new homes recently at a rate of 1.5 million a year, according to the Government's latest estimate. A private expert says that, the way new building contracts are being written, the pace actually may be close to 1.7 million a year.

Either figure, carried on through 1955, would mean a new annual record. The year 1950 is tops so far, with 1.4 million new homes.

In private talks, builders give no hint that they won't go on at a record-breaking rate the rest of this year.

The possibility of a slowdown is being suggested by others. Economists, in and out of Government, are pointing to figures such as those given in the chart on this page. The conclusion they are drawing is something like this—

- Construction is adding to the nation's supply of houses and apartments much faster then the population is growing. In five years, 1950-54 inclusive, the number of dwellings in the U. S. apparently increased by at least 5 million; number of household groups increased 4.2 million.
- In the early postwar period, such extra building was needed to take care of the shortage of housing that developed in World War II. Now there is no real shortage and supply is running ahead of demand, economists say. As a result, weak spots are showing up in the market. They haven't affected home building

much as yet, but may hit it sooner or later.

Harder to get credit? Financiers throw in this added word of caution: The supply of mortgage money, now plentiful, will get tighter, they say, if houses continue to be built at the present rate. According to this view, there won't be enough credit to take care of so many buyers.

A mortgage problem did limit sales and slowed construction in 1953; the same thing is being forecast in some financial circles for 1955.

These thoughts are reflected in a federal estimate that 1.3 million homes will be started this year—more than in 1954, but somewhat fewer than the pace of recent months suggests. The figure assumes the boom will stay strong in the first half of 1955 and slow moderately in the second half. The year would still rank as second best in home building.

An early sign of trouble. People who own or occupy apartments are among the first to feel the effect of oversupply.

A couple, newly married, is most likely to rent. After saving some money and having a child or two, they are more likely to buy a house. Thus, demand for apartments is tied, to some extent, to the trend in marriages.

Right now, marriages are fewer. There were close to 1.7 million in 1950, according to the Government. Since then, there has been a steady decline; about 1.4 million are expected in 1955.

That means newlyweds who are likely to be looking for apartments are outnumbered by the young but established families that are more likely to be moving out of them.

Vacant apartments are becoming more common, though they are not a serious problem for most landlords. Figures in the chart, based on Government surveys, show an increase in buildings that were put up with veterans in mind, mostly in 1947-52. A later survey, which does not give any figures, indicates a further increase in vacancies.

In some States, where city demand is relatively small, the experience has been worse than average. In Idaho, vacancies in this type of apartment were last reported at 26 per cent; in Arkansas, at 22 per cent. Rhode Island had the worst experience among industrial States; 129 vacancies out of each 1,000 units.

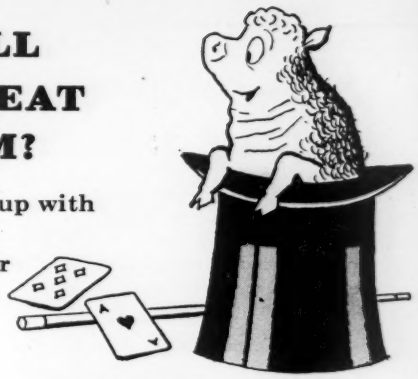
People are turning away from some of the more costly or inconvenient apartments. Vacancies are fairly common in upstairs units where the tenant is required to pay rent plus his own heat bill. "Efficiencies"—apartments without a separate bedroom—are hard to fill if they cost more than $100 a month. One-bedroom luxury units, with rents of $140 or more, also are hard to fill.

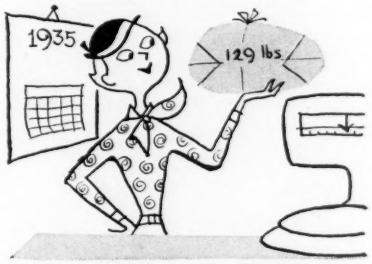
A number of projects that the Government backed are going broke, falling into

(Continued on page 78)

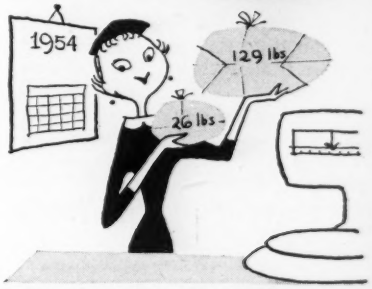
WHERE IS ALL THAT EXTRA MEAT COMING FROM?

How are we doing at keeping up with the growing meat needs of a growing America? The answer is one of the big production stories of our times.

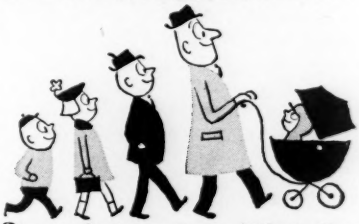




1. A generation ago America's 128½ million men, women and children ate, on the average, 129 lbs. of meat per person. If you think that's a lot of meat, look at what has happened since.

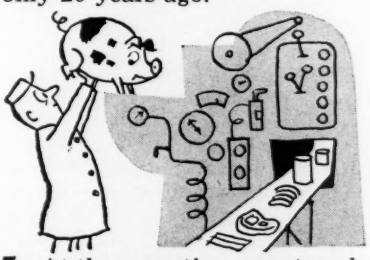


2. In one generation Americans have upped their meat eating by 26 lbs. per person—to 155 lbs. in 1954. That's part of our rising standard of living.



3. . . . but on top of that there are now 34 million *more* mouths to feed. At the current rate of consumption that means America is producing about *10 billion more lbs. of meat* per year than we did only 20 years ago.

4. How is all of this accomplished? Farmers are using new scientific methods to raise more animals, faster, and on less feed than ever before.



5. At the same time, meat packers have found ways to shorten processing time—by days—even weeks. This and modernized methods, plants and equipment help them keep up a production record, averaging 66 million pounds a day. That much meat would fill a train 18 miles long!

6. That takes care of *today's* needs. But by 1975 there will be another 50 million *more* Americans, and each will want *at least* as much meat as we eat today. That's another 7¾ billion pounds! Meat producers are already working on the special "meat magic" it will take to meet that demand!

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. . . '55 building outlook: some slowdown, but a big year

the hands of the Federal Housing Administration. About 287 projects have gone into default on their mortgages; a number of these have been taken over by FHA and resold. With refinancing and new management, costs usually can be reduced; rents may be lowered, so that the apartments can meet competition.

There are landlords who are going out of business. When housing was scarce, many homes, garages and spaces above stores were converted into apartments. Frequently these are proving hard to rent. Housing economists suspect that many such "conversions" are being taken off the market for lack of demand.

In a community near Washington, D. C., a big apartment developer is putting a large number of apartments up for sale as row houses.

The plentiful supply is pushing rents down here and there. The Government's rent index continues to climb, in spite of these reductions, but very slightly. The big postwar bulge is definitely past.

Some officials expect the rise in rents to come to a dead stop this year. Reductions are expected to be more numerous.

Effect on sales. With apartments becoming easy to find and more reasonable, some tenants are likely to feel less urge to move out and buy. Monthly cost of housing, seen in comparison of rents with payments on a house, is a major consideration with many families.

One Government study showed that a fourth of the families who switched from apartments to houses expected to save money.

Older houses are feeling competition sooner than new houses. The National Association of Real Estate Boards estimates that prices of dwellings offered for resale slipped 10 to 15 per cent in 1954. This followed a smaller drop reported in 1953.

Houses generally take longer to sell. Three or four months is not at all unusual in selling an older home.

Thus, the secondhand house is getting to be a better buy in competition with the brand-new house. Government credit rules also are tending to put financing of old houses more nearly on a par with new ones.

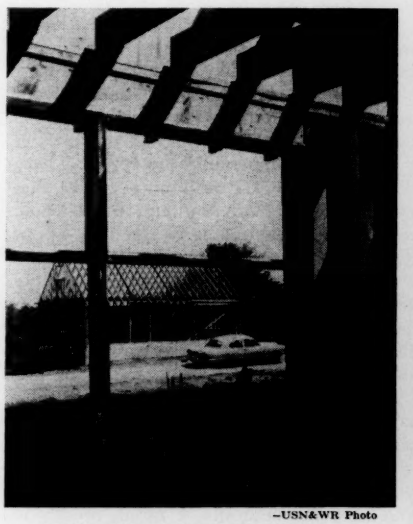
New houses, in the upper price range, are moving more slowly. If the price is high, the buyer—even a veteran—has to make a substantial cash payment.

There are reports of builders' cutting posted prices on their houses when hard to sell. Figures on business failures show quite a few contractors misjudging their market and going broke. They are only a very small minority, of course.

Generally, the lower-priced house, which accounts for the big bulk of today's building, sells rapidly. Down payments are small, sometimes nonexistent. In some spots, builders will hold a house for an interested customer for a deposit of only $10. Brokers are known to have offered bounties of several hundred dollars to speed sales and thus be able to get their hands on a new mortgage.

At the first of the year, there were firm promises of mortgages on about 240,000 new dwellings, with backing of the Federal Housing Administration. Additional commitments had been made by the Veterans' Administration and by financial institutions without federal support.

That backlog points to a high level of building, at least in the early part of this year.



—USN&WR Photo

AS NEW HOMES GO UP . . .
. . . will supply exceed demand?

No sharp break. Thus, the building industry still has a big market. Many people who bought small homes soon after World War II now are looking for larger ones; the increasing size of families means a pressure for bigger homes. Credit to buy has been made easy by the Government, though now a little tighter credit is being fostered by official policy.

No sharp slump in building is considered likely in the near future. At worst, the experts are looking for the boom to pass its peak this year and slacken a little from the record-making pace of recent months.

Within a year, home building, which has been a support for business in the recession and the revival, could turn into something of a drag.

Trend of American Business®

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Washington, D. C.

Business activity just now is giving a satisfactory performance, in the opinion of top officials of the U.S. Government.

That's the conclusion to be drawn from recent Government actions.

Businessmen are given further notice that they are on their own, so far as the general economic climate is concerned. They got their first notice in Mr. Eisenhower's budget and his Economic Report. Now they are getting evidence from moves actually being made by Government agencies.

Here are examples of the hands-off policy now being followed:

Federal Reserve Board continues to sop up money that is being returned to banks as borrowers pay off loans. Loan repayments are usual at this season. FRB action indicates that officials think the money supply is adequate, that commercial banks do not need any large excess reserves.

U.S. Treasury is to issue a long-term bond in a moderate amount. That is a signal that the Treasury believes the investment market can find room for some Government securities. Treasury had been staying out of this market.

Each of these steps is an indirect way of saying that the business upturn that began near the end of 1954 is going forward quite nicely and needs neither to be speeded up nor to be slowed down.

Government also makes some direct observations on business developments.

Output of industry by December had recovered half the ground lost from mid-1953 to March, 1954. This is noted by the Federal Reserve Board, which adds that a further rise in output took place in January.

Commerce Department cites some examples of business health.

Production, sales and income all increased in December, to make that the best month of 1954. This shows a broad upturn in activity.

Outlay for commercial buildings and houses continued at year end as an "outstanding area of business strength."

New orders placed with manufacturers moved up toward year end. That is a promise of increasing output in the months just ahead.

Inventory trimming shows signs of coming to an end.

Latest figures indicate a small increase in inventories.

Labor Department sees factory employment rising moderately through mid-March. Job gains are expected in autos, aircraft, steel, farm machinery, furniture, appliance, apparel and shoe industries--quite a broad list.

Industrial purchasing agents express a cautious optimism.

Production continues high. National Association of Purchasing Agents finds 42 per cent of firms with increased output in January, 47 per cent holding the same level of production.

(over)

Inventory reductions seem to have run their course, industrial buyers report, but there is no evidence of a rush to buy.

Buying policies of industry, in fact, are quite cautious. Many firms are on a hand-to-mouth basis in purchasing. Few extend commitments beyond 60 days.

Cautious buying probably results from the prospect for adequate supplies.

Not all business analysts share the official optimism. Some critical notes have been sounded before the Joint Economic Committee of Congress.

Business may be good but it's not good enough. That is the opinion of Leon H. Keyserling, Chairman, under President Truman, of the Council of Economic Advisers. He figures output this year will run some 20 billion dollars below the total needed to assure "maximum employment and production."

An "upward thrust" to the economy is absolutely essential as long as the number of jobless exceeds 1.25 to 2 million workers. This judgment is given by Stanley H. Ruttenberg, CIO director of education and research.

Consumption of goods and services will have to rise 20 billions, at an annual rate, to bring the country close to full employment. Such a rise, under present policy, does not seem likely. That is the conclusion of Gerhard Colm, chief economist of the National Planning Association.

This trio of critics prescribes an increase in Government spending and steps to raise individual spending as means of promoting expansion this year.

These opinions were solicited by the Joint Committee, which has the task of submitting its own analysis of the President's Economic Report by March 1. Views more in accord with the Administration's appraisal also are being heard. Pro-Administration views appear to predominate at the present time.

Some weaknesses, however, may develop before the current year ends.

Auto production admittedly is the most powerful single force that now is sparking the upturn in industrial activity.

Present pace of auto output is not expected to continue through the year. The industry itself does not expect to maintain current rates. So a slowing of activity in the auto industry is likely later this year.

Home building also is likely to ease off a bit before the year ends.

A decline in the auto industry and in building activity would tend to be a drag on general business activity. That's a possibility sometime in 1955.

Still, analysts see offsetting influences. Some observers are raising their estimates of how much businessmen will invest in plant and equipment. And others point out: Experience shows that, when business turns upward, the rising cycle usually runs longer than a few months or so.

Merger trend of recent years is to get a lot of investigation.

Antimonopoly committees of Congress are preparing to start inquiries. Both Senate and House groups are showing an interest in the subject of mergers.

Federal Trade Commission also is engaged in a study of its own.

Members of the Trade Commission are inclined to examine mergers almost on a case-by-case basis. Their view is that some mergers may be helpful, while others may be harmful, and you can't tell until you look at the facts. Also coming up is a special report to the Justice Department on antitrust laws.

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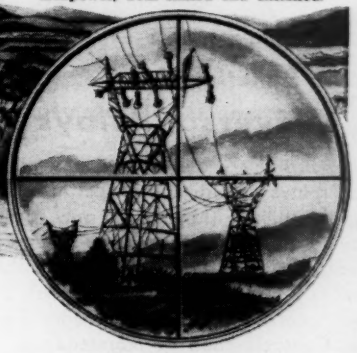

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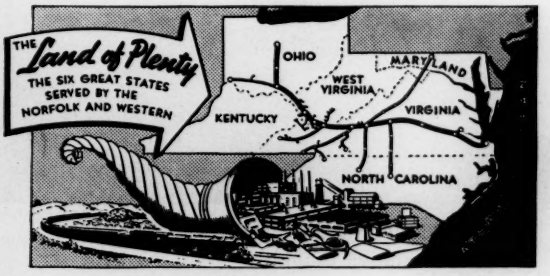
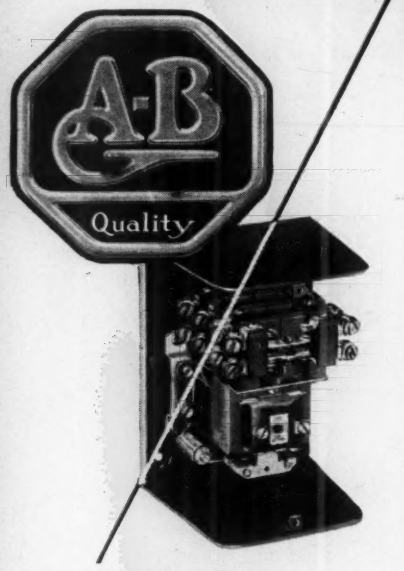


Norfolk and Western RAILWAY

The "Quality" Sign of Motor Control



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LIFE AROUND THE WORLD®

memo

ON RUSSIA

HOW TO GET AHEAD

Not long ago a minor bureaucrat in Moscow decided it was time he got a promotion. So he wrote an anonymous letter to Communist officials denouncing his boss as a fascist and a spy—and recommended himself for the job.

He didn't get away with it, but the scheme he tried is typical of a growing problem for Soviet officials—the problem of anonymous letters. Russians, preying on the Communists' constant suspicion of one another, are taking poison pen in hand to write unsigned letters of complaint about almost everything imaginable.

Real headache. The practice has become so widespread that Soviet newspapers and magazines are devoting a lot of space to serious articles on what to do about the anonymous informers. The following paragraphs come from a recent article in the magazine *Party Life*, the official publication of the Communist Party Central Committee, as translated into English by the Joint Committee on Slavic Studies:

"The working people justifiably regard anonymous letters with distrust and see in them something mean and unworthy of Soviet man. . . . Unfortunately, among senders of anonymous letters one finds people who carry party membership cards.

"Recently the Belorussian Communist Party Central Committee expelled A. Podolsky, an official of the Ministry of State Control, from the party's ranks. It appeared that he had written 18 slanderous letters to various agencies under assumed names.

"In one letter, for example, he had stated that an official of the Ministry and his relatives had collaborated with the Gestapo during the Nazi occupation [of Belorussia]. He subsequently confessed that his aim had been to obtain the dismissal of this official in order to get his job.

"In another letter the slanderer had accused an official of the Polytechnical Institute of anti-Soviet activities. His aim here was to have this official expelled from his apartment in order to acquire the space for himself. . . .

"A. Shiporin, a former official of the October District Soviet in Moscow, used anonymous letters to accuse a woman neighbor, living in his apartment building, of hoodlum acts and anti-Soviet agitation. A criminal case was drawn up

—Sovfoto

IN THE SOVIET MAIL . . .
. . . a poison-pen problem

against this woman on the basis of Shiporin's declarations. Investigation disclosed that all his letters were slanders pursuing selfish ends. The court found for the defendant and party bodies expelled Shiporin from the ranks of the Communists.

"N. Chechulin, a former instructor at the Mogilev Pedagogical Institute, was expelled from the party for slander. In anonymous letters he had lied about the heads of the Institute, accusing them of hostile, bourgeois nationalist activity. In one of his anonymous letters the slanderer had demanded removal of the Institute director and had recommended in his place 'a true son of our motherland—Chechulin, who knows the work.'

"Comrade Gorokhovsky, a Communist engineer, reports that 56 anonymous letters of complaint were directed against one official of the Kiev Dermatology and Venereology Institute.

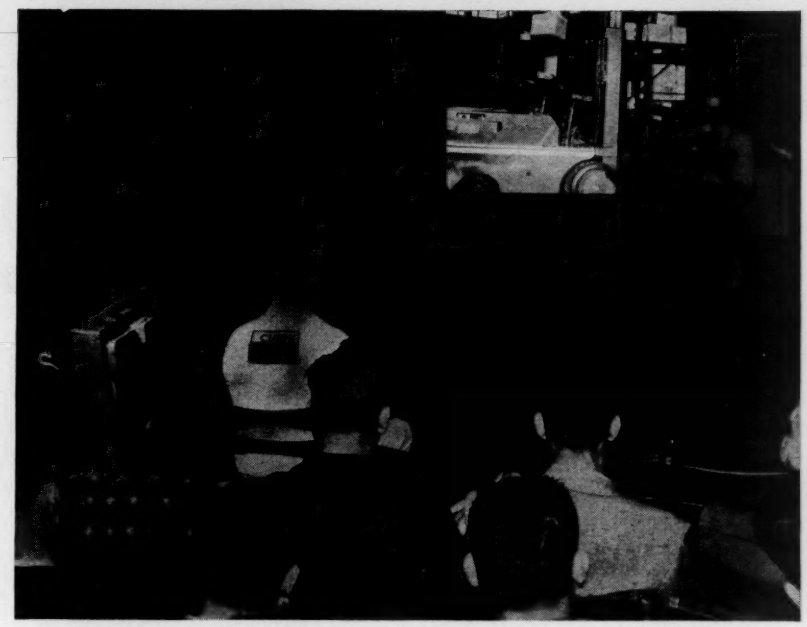
"'A week does not pass without an anonymous letter against one or another member of the Institute staff,' he writes. 'One would expect the Stalin District Party Committee of Kiev to deal with the slanderers terrorizing honest Soviet people. Unfortunately, the district committee takes a different view. It organizes innumerable investigations of the complaints anonymously submitted, thereby providing opportunity and satisfaction to the anonymous slanderers rubbing their dirty hands in malicious glee.'

"What Comrade Gorokhovsky describes is not an isolated example. For instance, 20 anonymous letters complaining against leading officials of the city of Vyshni Volochek were recently received by the Kalinin Province Party Committee. The officials were accused of grave crimes. The province committee sent its investigators to Vyshni Volochek 17 times to check the charges. None of the accusations was confirmed.

"Anonymous letters of complaint from Novorossiisk were sent to the Krasnodar Territory Party Committee. The letters accused officials of the city party committee of violating the Communist Party statutes and Soviet law and of suppressing criticism. The territory sent a commission to investigate these charges. None of them was confirmed."

Advice. With all this unsigned mail circulating around Russia, raising doubt and exciting suspicion, what is a harried Communist bureaucrat to do? The party has told him, but the instructions are not very comforting. They boil down to this:

Anonymous letters probably should be ignored as unworthy of investigation—but if one of them turns out to contain the truth, the bureaucrat who ignored it in the first place can expect trouble. So he can get himself in a jam by taking an unsigned letter of complaint seriously—and get in an even worse jam if he doesn't.



Getting workers to THINK safety...

Clark Equipment Company does it with movies

Safe working methods boost employee morale and save dollars for the employer. But many workers resist safety training like schoolboys shying from dancing lessons.

The Clark Equipment Company, however, has found the answer. Their 25-minute movie, "Safety Saves," teaches safety procedures to users of Clark lift trucks and other materials-handling equipment. Dramatic and entertaining, the film teaches more than basic safety techniques. It stimulates the workers to *think* in terms of safety.

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The movie is part of a mobile training school on the use and maintenance of the company's equipment. The school is transported all over the country by trailer truck as a service to Clark Equipment Company customers. It pays off handsomely as a sales stimulant and good-will builder, too.

Since this "school on wheels" is packed and unpacked in a hurry, Clark must use movie projectors that combine simplicity and ruggedness. To meet these specifications with projectors that also deliver superb sound and visual reproduction, Paul King of Krum's Audio-Visual in Battle Creek, Michigan, recommended Kodascope Pageant Sound Projectors. Here's why:

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Only Pageant Projectors are permanently pre-lubricated to by-pass the common trouble spot of improper oiling. To Clark, this means worry-free projection on the road, where repairs are usually impossible. And thanks to the versatility of the sound mechanisms, Clark is able to use Pageant amplifiers and speakers as a public-address system during non-film portions, eliminating the need for special extra equipment.

The rugged dependability of Pageant Projectors makes them ideal for industrial use. There are 6 models to choose from, and prices start at $425 (subject to change without notice). Think over *your own* selling and training problems—chances are that movies can help solve them easily and effectively.

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MacArthur Makes Three Addresses . . .

SEES WAR AS "DOUBLE SUICIDE," SAYS PEOPLES CAN PREVENT IT

A distinguished "old soldier," honored on his 75th birthday, takes a philosophical look at the problems confronting the nation that he served so long.

General MacArthur's conclusions:

Patriotism, even in this era of "global" thinking, is still a virtue.

War, with nuclear weapons, has become so destructive that it destroys the winner along with the loser. So war must be abolished.

And religion can be more potent than bombs.

You get the General's views in his three speeches below.

I. A TRIBUTE TO PATRIOTISM

Following is the full text of an address by General of the Army Douglas MacArthur, made Jan. 26, 1955, at the dedication of a monument to him in Los Angeles:

I have listened with deep emotion to these solemn proceedings. My heart is too full for my lips to express adequately my thanks and appreciation for the extraordinary honor you do me. Even so, I understand full well that this memorial is intended to commemorate an epic rather than an individual; an armed force, rather than its commander; a nation, rather than its servant; an ideal, rather than a personality.

But this only increases my pride that my name has been one chosen as the symbol of an epic struggle in victory by millions of unnamed others.

It is their heroism, their sacrifice, their success, that you honor today in so unforgettable a manner. And this statue and this park are but the selected reminders of their grandeur.

Most of them were citizen soldiers, sailors, or airmen; men from the farm, from the city, from the schoolroom, from the college campus; men not dedicated to the profession of arms; men not primarily skilled in the art of war; men most amazingly like the men you see and meet and know each day of your life. But men inspired, animated, and ennobled by a sublime cause to the defense of their country, of their native land, of their very hearthstones.

Divine Impulses Guided Men

The most divine of all human sentiments and impulses guided them, the spirit and the willingness to sacrifice.

He who dares to die, who lays his life on the altar of his nation's need, is beyond doubt the noblest development of mankind. In this he comes closest to the image of his Creator who died on the cross that the human soul might live.

These men were my comrades in arms. With me they knew the call of the bugle at reveille, the distant roll of drums at nightfall, the endless tramp of marching feet, the incessant whine of sniper bullets, the ceaseless rattle of sputtering machine guns, the sinister wail of air sirens, the deafening blast and crash of bombs, the stealthy stroke of hidden torpedoes, the aimless lurch of perilous waves, the dark majesty of fighting ships, the mad din of battle lines, and all the stench and ghastly horror and savage destruction of a stricken area of war.

They suffered hunger and thirst, the broiling sun of relentless heat, the torrential rains of tropical storms, the loneliness and utter desolation of jungle trails, the bitterness of separation from those they loved and cherished. They went on and on and when everything within them seemed to stop and die. They grew old in youth; they burned out in searing minutes all that life owed them in tranquil years.

Knows Glory of Their Death

When I think of their patience under adversity, of their courage under fire, and of their modesty in victory, I am filled with an emotion I cannot express.

Many of them trod the tragic path of unknown fame that led to a stark, white cross on a lonely grave. And from their tortured, dying lips, with the dreadful gurgle of the death rattle in their throats, always came the same gasping prayer that we who were left would go on to victory.

I do not know the dignity of their birth, but I do know the glory of their death. And I am sure a merciful God has taken them unto Himself.

In these troublesome times of confused and bewildered international sophistication, let no man misunderstand why they did that which they did. These were patriots, pure and plain; these were men who fought and perchance died for one reason only—for their country, for America. No complex philosophy of world intrigue and conspiracy dominated their thoughts. No exploitation or extravagance of propaganda dimmed their sensibilities. Just the simple fact that their

(Continued on page 86)

SOLDIER

"Battles are not won by arms alone. There must exist above all a spiritual impulse—a will to victory. In war there can be no substitute for victory"

-Wide World

STATESMAN

"Could I have but a line a century hence crediting a contribution to the advance of peace, I would gladly yield every honor which has been accorded me by war"

(These legends, which appear on the monument, are quotations from General MacArthur.)

country called them, just the devoted doctrine of Stephen Decatur when he said: "My country, may she always be right. But, right or wrong, my country."

Bulwark of National Strength

Be not deceived by strange voices heard across the land, decrying this old and proven concept of patriotism. From the very beginning it has been the main bulwark of our national strength and integrity.

Seductive murmurs are arising that it is now outmoded by some more comprehensive and all-embracing philosophy; that we are provincial and immature, or reactionary and stupid when we idealize our own country; that there is a higher destiny for us under another more general flag; that no longer when we send our sons and daughters to the battlefield must we see them through all the way to victory; that we can call upon them to fight and even to die in some half-hearted and indecisive effort.

That we can plunge them recklessly into war and then suddenly decide that it is a wrong war, or in the wrong place, or at a wrong time; or even that we call it not a war at all, but by some more euphemistic and generic name; that we can treat them as expendables, although they are our own flesh and blood. And even in times of peace, for some romantic reason, they must share—not as an act of generosity but as a bounden duty, their national blessings and goods built from nothing to a height never before reached by man—with others because, whether for neglect or not, they have not fared so well.

Ignore Prophets of Disaster

That we, the strongest nation in the world, have suddenly become dependent upon others for our security and even our welfare. Listen not to these voices, be they from the one political party or from the other; be they from the high and the mighty, or the lowly and the forgotten. Heed them not. Visit upon them a righteous scorn born of the past sacrifices of your fighting sons and daughters.

Repudiate them in the market place, on the platform, in the pulpit. Those who are our friends will understand. Those who are not we can pass by. Be proud to be called patriots or nationalists or what you will, if it means that you love your country above all else, and will place your life if need be at the service of our flag.

I wish again to express to the citizens of this community my gratitude for their generosity in creating this memorial, and my thanks and appreciation to all those present here today.

You have etched for me in indelible memory a patriotic friendship and sympathetic understanding. You have made me feel far greater than my just deserts and yet more humble than I care to admit.

II. "CAN WAR NOW BE OUTLAWED FROM THE WORLD?"

Following is the full text of an address by General of the Army Douglas MacArthur, delivered Jan. 26, 1955, at a banquet sponsored by the American Legion in Los Angeles:

Seldom in history has living man been honored as this famous community of Los Angeles has honored me today. You have etched in my heart an unforgettable memory of patriotic fervor and national devotion. You have aroused an indelible emotion of gratitude that I am unable to express adequately in words. Yet, the reality of life enables me to apply an appraising perspective; to understand that your action springs not so much from a desire to memorialize a personality as to proclaim a people's adherence to ideals long ago fabricated into the warp and woof of what is called the American way of life.

That you have chosen me to symbolize this rich heritage of principles is an honor which makes me feel far greater than any just merit; that my name should stand for the millions of unnamed others whose faith and courage built the immortal way from which was fashioned the true greatness of our country creates within me a feeling of humility far in excess of all possible pride. It makes me revere the stars in our flag far more than any stars on my shoulders.

I am so grateful to all who have wished me birthday greetings. I know such expressions of good will would have brightened the eyes of that gentle Virginia lady, my mother, on this her day. Thank you—thank you in her name again and again—and, as "old soldiers never die," I promise to keep on living as though I expected to live forever. That famous barrack-room ballad apparently counts on us, those Old Soldiers who have escaped the carnage of the battlefield, to find the Fountain of Youth. And, indeed, we might if we only understood what the poet said, that youth is not entirely a time of life—it is a state of mind. It is not wholly a matter of ripe cheeks, red lips or supple knees. It is a temper of the will, a quality of the imagination, a vigor of the emotions, a freshness of the deep springs of life. It means a temperamental predominance of courage over timidity, of an appetite for adventure over love of ease. Nobody grows old by merely living a number of years. People grow old only by deserting their ideals. Years may wrinkle the skin, but to give up interest wrinkles the soul.

Worry, doubt, self-distrust, fear and despair—these are the long, long years that bow the head and turn the growing spirit back to dust. Whatever your years, there is in every being's heart the love of wonder, the undaunted challenge of events, the unfailing child-like appetite for what next, and the joy and the game of life. You are as young as your faith, as old as your doubt; as young as your self-confidence, as old as your fear; as young as your hope, as old as your despair. In the central place of every heart there is a recording chamber; so long as it receives messages of beauty, hope, cheer and courage, so long are you young. When the wires are all down and your heart is covered with the snows of pessimism and the ice of cynicism, then, and then only, are you grown old—and then, indeed, as the ballad says, you just fade away.

Many in this brilliant audience were my comrades-in-arms in the days of used-to-be. They have known war in all its horror and, as veterans, hope against its recurrence. How, we ask ourselves, did such an institution become so integrated with man's life and civilization? How has it grown to be the most vital factor in our existence?

It started in a modest enough way as a sort of gladiatorial method of settling disputes between conflicting tribes. One of the oldest and most classical examples is the Biblical story of David and Goliath. Each of the two contesting groups selected its champion. They fought and, based upon the outcome, an agreement resulted. Then, as time went on, small professional groups known as armies replaced the individual champions. And these groups fought in some obscure corner of the world and victory or defeat was accepted as the basis of an ensuing peace. And from then on, down through the ages, the constant record is an increase in the character and strength of the forces with the rate of increase always accelerating. From a small percentage of the populace it finally engulfed all. It is now the nation in arms.

Within the span of my own life I have witnessed this evolution. At the turn of the century, when I entered the

Army, the target was one enemy casualty at the end of a rifle or bayonet or sword. Then came the machine gun designed to kill by the dozen. After that, the heavy artillery raining death upon the hundreds. Then the aerial bomb to strike by the thousands—followed by the atom explosion to reach the hundreds of thousands. Now, electronics and other processes of science have raised the destructive potential to encompass millions. And with restless hands we work feverishly in dark laboratories to find the means to destroy all at one blow.

But, this very triumph of scientific annihilation—this very success of invention—has destroyed the possibility of war being a medium of *practical* settlement of international differences. The enormous destruction to both sides of closely matched opponents makes it impossible for the winner to translate it into anything but his own disaster.

The Second World War, even with its now antiquated armaments, clearly demonstrated that the victor had to bear in large part the very injuries inflicted on his foe. Our own country spent billions of dollars and untold energies to heal the wounds of Germany and Japan. War has become a Frankenstein to destroy both sides. No longer is it the weapon of adventure whereby a short cut to international power and wealth—a place in the sun—can be gained. If you lose, you are annihilated. If you win, you stand only to lose. No longer does it possess the chance of the winner of a duel—it contains rather the germs of double suicide. Science has clearly outmoded it as a feasible arbiter.

The great question is—does this mean that war can now be outlawed from the world? If so, it would mark the greatest advance in civilization since the Sermon on the Mount. It would lift at one stroke the darkest shadow which has engulfed mankind from the beginning. It would not only remove fear and bring security—it would not only create new moral and spiritual values—it would produce an economic wave of prosperity that would raise the world's standard of living beyond anything ever dreamed of by man. The hundreds of billions of dollars now spent in mutual preparedness could conceivably abolish poverty from the face of the globe. It would accomplish even more than this; it would at one stroke reduce the international tensions that seem so insurmountable now to matters of more probable solution.

For instance, the complex problems of German rearmament, of preventive war, of satellite dominance by major powers, of Universal Military Service, of unconscionable taxation, of nuclear development for industry, of freer exchange of goods and people, of foreign aid and, indeed, of all issues involving the application of armed force. It would have equally potent political effects. It would reduce immeasurably the power of leaders of government and thus render more precarious totalitarian or autocratic rule. The growing and dangerous control by an individual over the masses—the socialistic and paternal trends resulting therefrom—is largely by virtue of his influence to induce war or to maintain peace. Abolish this threat and the position of Chief Magistrate falls into a more proper civic perspective.

You will say at once that although the abolition of war has been the dream of man for centuries every proposition to that end has been promptly discarded as impossible and fantastic. Every cynic, every pessimist, every adventurer, every swashbuckler in the world has always disclaimed its feasibility. But that was before the science of the past decade made mass destruction a reality. The argument then was along spiritual and moral lines, and lost.

It is a sad truth that human character has never reached a theological development which would permit the application of pure idealism. In the last two thousand years its rate of change has been deplorably slow compared to that of the arts and the sciences. But now the tremendous and present evolution of nuclear and other potentials of destruction has suddenly taken the problem away from its primary consideration as a moral and spiritual question and brought it abreast of scientific realism. It is no longer an ethical equation to be pondered solely by learned philosophers and ecclesiastics but a hard-core one for the decision of the masses whose survival is the issue.

This is as true of the Soviet side of the world as of the free side—as true behind the Iron Curtain as in front of it. The ordinary people of the world, whether free or slave, are all in agreement on this solution; and this perhaps is the only thing in the world they do agree upon. But it is the most vital and determinate of all. The leaders are the laggards. The disease of power seems to confuse and befuddle them. They have not even approached the basic problem, much less evolved a working formula to implement this public demand. They debate and turmoil over a hundred issues—they bring us to the verge of despair or raise our hopes to Utopian heights over the corollary misunderstandings that stem from the threat of war—but never in the chancelleries of the world or the halls of the United Nations is the real problem raised. Never do they dare to state the bald truth, that the next great advance in the evolution of civilization can not take place until war is abolished.

It may take another cataclysm of destruction to prove to them this simple truth. But, strange as it may seem, it is known now by all common men. It is the one issue upon which both sides can agree, for it is the one issue upon which both sides will profit equally. It is the one issue—and the only decisive one—in which the interests of both are completely parallel. It is the one issue which, if settled, might settle all others.

Time has shown that agreements between modern nations are generally no longer honored as valid unless both profit therefrom. But both sides can be trusted when both do profit. It becomes then no longer a problem based upon relative integrity. It is now no longer convincing to argue, even if true, that we cannot trust the other side—that one maverick can destroy the herd. It would no longer be a matter depending upon trust—the self-interest of each nation outlawing war would keep it true to itself. And there is no influence so potent and powerful as self-interest. It would not necessarily require international inspection of relative armaments—the public opinion of every part of the world would be the great denominator which would ensure the issue—each nation would so profit that it could not fail eventually to comply.

This would not, of course, mean the abandonment of all armed forces, but it would reduce them to the simpler problems of internal order and international police. It would not mean Utopia at one fell stroke, but it would mean that the great roadblock now existing to the development of the human race would have been cleared.

The present tensions with their threat of national annihilation are kept alive by two great illusions. The one, a complete belief on the part of the Soviet world that the capitalist countries are preparing to attack them; that sooner or later we intend to strike. And the other, a complete belief on the part of the capitalist countries that the Soviets are preparing to attack us; that sooner or later they intend to strike. Both are wrong. Each side, so far as the masses are concerned, is equally desirous of peace. For either side, war with the other would mean nothing but disaster. Both equally dread it. But the constant acceleration of preparation may well, without specific intent; ultimately produce a spontaneous combustion.

I am sure that every pundit in the world, every cynic and hypocrite, every paid brainwasher, every egotist, every

troublemaker, and many others of entirely different mould, will tell you with mockery and ridicule that this can be only a dream—that it is but the vague imaginings of a visionary. But, as David Lloyd George once said in Commons at the crisis of the First World War, "We must go on or we will go under." And the great criticism we can make of the world's leaders is their lack of a plan which will enable us "to go on."

All they propose merely gravitates around but dares not face the real problem. They increase preparedness by alliances, by distributing resources throughout the world, by feverish activity in developing new and deadlier weapons, by applying conscription in times of peace—all of which is instantly matched by the prospective opponent. We are told that this increases the chances of peace—which is doubtful—and increases the chances of victory if war comes—which would be incontestable if the other side did not increase in like proportion. Actually, the truth is that the relative strengths of the two change little with the years. Action by one is promptly matched by reaction from the other.

We are told we must go on indefinitely as at present—some say 50 years or more. With what at the end? None say—there is no definite objective. They but pass along to those that follow the search for a final solution. And, at the end, the problem will be exactly the same as that which we face now. Must we live for generations under the killing punishment of accelerating preparedness without an announced final purpose or, as an alternative, suicidal war; and trifle in the meanwhile with corollary and indeterminate theses—such as limitation of armament, restriction on the use of nuclear power, adoption of new legal standards as propounded at Nuremberg—all of which are but paliatives and all of which in varying form have been tried in the past with negligible results?

Dangerous doctrines, too, appear—doctrines which might result in actual defeat; such doctrines as a limited war, of enemy sanctuary, of failure to protect our fighting men when captured, of national subversive and sabotage agencies, of a substitute for victory on the battlefield—all in the name of peace. Peace, indeed, can be obtained at least temporarily by any nation if it is prepared to yield its freedom principles. But peace at any price—peace with appeasement—peace which passes the dreadful finality to future generations—is a peace of sham and shame which can end only in war or slavery.

I recall so vividly this problem when it faced the Japanese in their new Constitution. They are realists; and they are the only ones that know by dread experience the fearful effect of mass annihilation. They realize in their limited geographical area, caught up as a sort of no-man's land between two great ideologies, that to engage in another war, whether on the winning or the losing side, would spell the probable doom of their race. And their wise old Prime Minister, Shidehara, came to me and urged that to save themselves they should abolish war as an international instrument. When I agreed, he turned to me and said, "The world will laugh and mock us as impractical visionaries, but a hundred years from now we will be called prophets."

—United Press

GENERAL MacARTHUR: "Must we fight again before we learn?"

Sooner or later the world, if it is to survive, must reach this decision. The only question is, when? Must we fight again before we learn? When will some great figure in power have sufficient imagination and moral courage to translate this universal wish—which is rapidly becoming a universal necessity—into actuality? We are in a new era. The old methods and solutions no longer suffice. We must have new thoughts, new ideas, new concepts, just as did our venerated forefathers when they faced a New World. We must break out of the straight jacket of the past. There must always be one to lead, and we should be that one. We should now proclaim our readiness to abolish war in concert with the great powers of the world. The result might be magical.

This may sound somewhat academic in view of the acuteness of the situation in the Far East. Strategically, the problem there has developed along classical lines—the familiar case of a concentrated enemy in a central position deployed against scattered allies. Red China, inherently weak in industrial output for modern war but strong in manpower, engaged on three fronts—Korea, Indo-China and in civil war with Nationalist China. Fighting on all three simultaneously meant defeat, but individually the chances were excellent. The hope for victory depended on getting a cease-fire on some fronts so that the full potential of its limited military might could be thrown against the remaining one or ones.

That is what has happened and is happening. First was the cessation of the civil-war action by the isolation in the Formosa area which practically immobilized National China, one of the allies. Red China then concentrated against Korea and Indo-China. But even the double front was too much for its strained resources. So a cease-fire was obtained in Korea. This immobilized the so-called United Nations Forces and the South Koreans and left Red China free to concentrate on the third front—Indo-China and the French. Successful there, the Reds now turn back to the old first front located in Formosa. As Napoleon Bonaparte once said: "Give me allies as an enemy so that I can defeat them one by one."

Militarily the situation demonstrates the inherent weakness of the theory of collective security—the chain is no stronger than its weakest link, and what is even more vital—its full power can only be utilized when all links are brought simultaneously into action. The diverse interests of allies always tend towards separation rather than unity.

Whatever betides the ultimate fate of the Far East—and indeed of the world—will not be settled by force of arms. We may all be practically annihilated—but war can no longer be an arbiter of survival.

I can not close without once more thanking this beautiful city of Los Angeles for its gracious hospitality. It has been an inspiration to be here, where missions once stood as lonely outposts in the advance of our Christian Civilization, but where this great metropolis now stands as a monument to American industry and adventure—a symbolic reminder of Californian strength and fortitude. I hate to leave—but, as I once pledged under very different circumstances, I shall return.

III. BRINGING THE BIBLE TO JAPAN

Following is the full text of an address by General of the Army Douglas MacArthur, made Jan. 26, 1955, upon receiving in Los Angeles an award of the Protestant Episcopal Church "for distinguished service to the church of God as a Christian statesman and soldier":

Your honor, your grace, and all in reverent attendance at this convention:

I cannot begin to express adequately my thanks and appreciation for the signal honor you have conferred upon me. It creates an unforgettable sense of distinction far in excess of any just merit, and arouses a feeling of gratitude that is indelible.

Much of my life has been dedicated to the profession of arms. Much of my experience has been in the practice of the art of war. For such a one it is a rare privilege, indeed, when an occasion arises permitting construction rather than destruction, to build not to destroy.

Such was the unusual and unique opportunity presenting itself in the field of religion when our victorious soldiers entered Japan. These were veteran troops, troops who had come from behind, soldiers constantly outnumbered, and consequently constantly operating in the shadow of death. Now they had come through against all odds, and were duly thankful to a merciful God. They were spiritual to the highest degree. The most religious army of modern times. Men who prayed before they fought. Men who built their churches even before they built their hospitals.

Japan itself was in a state of utter collapse. It was completely exhausted. Its long war effort had reduced its industrial output to almost nothing. Its military defeat had destroyed not only its sense of self-reliance, but its sense of self-respect. The religious disintegration was even worse. It was universal and absolute.

In this vacuum, material, social and spiritual, the occupation began. Three concepts of divinity existed in Japan prior to the war: Shintoism, bred to the native culture of the Japanese; Buddhism, introduced from the Asiatic mainland; and Christianity, an occidental importation, a poor third. The latter influence became negligible during the war.

The first two were practically taken over by the Government as a means of regimentation of the masses. The priesthood represented one of the most cultured, influential and intellectual segments of society, but was dominated by the state. The temples were supported by national funds, and the priests themselves, to all intents and purposes, were but agents of those in political power.

Under Government tutelage, the people had been thoroughly indoctrinated with a belief in the invincible character of their armed forces. The propaganda was complete, and up to the very end no Japanese dreamed of anything but victory. The shock of sudden defeat was thus enormously increased, and left the populace doubtful and resentful, not only of their military and political leaders, but of their religions as well.

I am a Christian and an Episcopalian, but I believe in all religions. They may differ in form and ritual, but all recognize a divine Creator, a superior Power, that transcends all that is mortal. I, therefore, felt that it became my duty as a soldier of God to attempt to restore and revive religion in Japan, to fill this moral vacuum, just as it was my duty as a soldier of the republic to revitalize the material well-being of the country; that to fulfill my obligation it must be of the spiritual as well as of the flesh. But the problem was how.

Should I, with my full military power, arbitrarily decree the adoption of the Christian faith as a national religion? Like all men of human frailty in their hour of defeat and despairing agony, I knew they must turn to some higher spiritual Power for moral comfort and support. Would not this be the moment to order them to abandon their own and turn to our God? Their utter helplessness, their dire necessity, born of complete disaster and dependence, would have perhaps forced an outward compliance, but it would have been only a fictitious and superficial sham, and would surely have defeated the very purpose I had in mind.

The solution I adopted I believe you would have approved. It was to befriend all religions, to permit complete freedom of religious worship as individuals might choose, to free all creeds, Shinto, Buddhist, and Christian, from any Government control, to stop all proselyting of the church by national subsidy, to return to the temples their fundamental obligation of religious tutelage, to make the priest no longer an agent of political coercion or espionage activity. In short, to render unto God that which is His, and not unto Caesar which he would.

It worked like a charm. The priesthood responded to their relief from governmental dominance with a spiritual fervor that swept all before it. No slave passing to freedom ever exceeded their buoyant reaction. The religious vacuum disappeared, and, because I was Christian, and had acted so, it aroused among the Shintoist and Buddhist a great curiosity of the religion which had dictated my decision.

Their own creeds, good in part as they were, were based to some extent on a *quid pro quo* concept that one should do good in this life, because he would profit from it in the life to come; that he would be repaid; that he would get back more than he put in as a reward in another world was a main incentive. The concept of faith, the concept of Christ that man should do what is right, even if it entailed personal sacrifice, that the urge of conscience was greater than any material reward, was something new and novel.

It seemed to me that the great opportunity was to guide Shintoism and Buddhism toward this basic concept of religious faith, rather than the impossible task of replacement by a conqueror's own creed. That if the lessons of the Scriptures of the Sermon on the Mount could be integrated and welded into their own religious cultures, if basic spirituality could be common to all, it would mean little whether a Japanese were a Buddhist, a Shintoist, or a Christian.

I called upon America for Bibles. An offer of 100,000 was raised by me to 10 million, with an ultimate figure of three times that number, and that is the story up to now.

I am not trained in ecclesiastical methods, nor am I skilled in theological lore, but I want you to know that with such frail personal equipment as was mine I did my best, and that no phase of the occupation, with its many attempted military, political, social and economic reforms, has left me with a greater sense of personal satisfaction than my spiritual stewardship. Although I am of Caesar, I did try to render unto God that which is His. And I even dared to hope that through this resurgence of religion Japan will, in the struggle that lies ahead, be indissolubly confirmed against any whose doctrines embrace the deadly poison of atheism. It might prove more potent than bullets, or bayonets, or bombs, or even bread.

PLUS & MINUS
Latest Indicators of Business Activity

Demand for goods is rising strongly, both in the U. S. and abroad. To guard against any return of inflation, official policies in the U. S., Britain and a few other countries are encouraging higher interest rates.

Prices of industrial raw materials in the U. S. edged upward in the week ended January 26 to the highest in nearly two years. Wool rose 4 cents per pound; rubber, 3; tin, 2.

Department-store sales mounted to 118 on the indicator in January, 2 per cent above December, 10 above a year ago.

Factory output rose to 134 on the indicator in the week ended January 22 —8 per cent above July, 1954, 4 per cent below the peak of July, 1953.

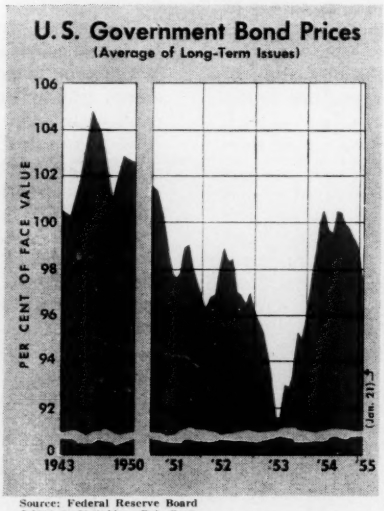
Auto production jumped to 163,266 and was within 1 per cent of its weekly record, set in June, 1950.

Steel operations were scheduled at 84 per cent of capacity in the week ended January 29, yielding a tonnage 12 per cent above a year ago.

Debt-management policy of the Treasury has shifted toward tighter money.

A new Treasury bond issue, due in 40 years and paying 3 per cent interest, has just been offered as an exchange to holders of 2.6 billions in Treasury bonds that are due on March 15. Only holders of the maturing bonds may receive the new ones, but they have the choice also of receiving new 13-month notes or cash. A billion dollars or more of the new bond issue is likely to be taken.

The supply of long-term money for investment in mortgages and bonds of corporations, States and municipalities will be drained away a bit by the new issue. Almost 2 billions of the 2.6 billions of maturing bonds are held by commercial banks, which seldom buy bonds having a maturity as long as 40 years. Insurance companies, savings banks, pension funds are likely to buy the maturing bonds from the commercial banks and turn them in for the new 40-year bonds. Dollars that commercial banks receive from sale of the maturing bonds are likely to go mostly into short-term loans.



Source: Federal Reserve Board
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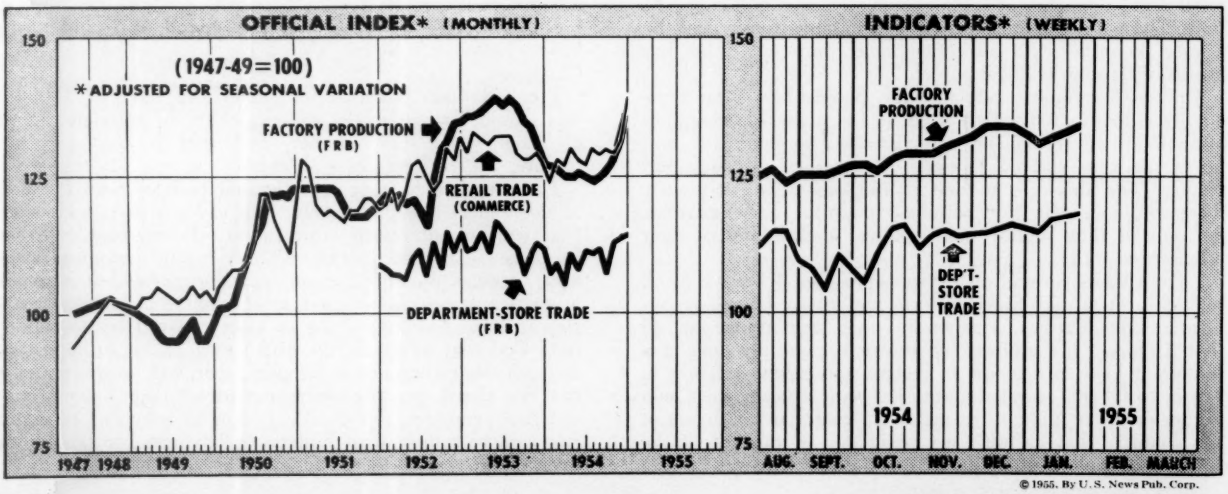
Federal Reserve Banks, meanwhile, continue to sell part of their holdings of Government securities to soak up excess funds of commercial banks. In the week ended January 26, deposits of Federal Reserve member banks—their legal reserves—were reduced to an amount only 303 millions more than was needed to meet reserve requirements and offset member-bank borrowings from Federal Reserve Banks. These "free reserves" of 303 millions were below the average for any month since December, 1953.

Shifts in money policy of the Government are reflected in prices of U. S. Government bonds, shown in the top chart. Prices have fallen since last July as business recovery soaked up bank credit and stiffened interest rates. Before then, prices rose from June, 1953, to July, 1954, as the Government pressed an easy-money policy to fight the business recession. From March, 1951, to June, 1953, bond prices fell when the Government let money rates rise to fight inflation at that time.

Abroad, money is tightening here and there. The Bank of England has just increased its discount rate from 3 to 3½ per cent. Danish Government bonds rose ½ percentage point in yield in 1954. Bonds of the Swedish Government rose about 1/5 point in yield.

Pattern over much of the free world is one of growing prosperity, mild upward pressure on wages and prices. Industrial production in Europe has risen nearly a fifth in the last two years, more than a third since 1949. Living costs have been increasing slowly in Norway, Britain, Italy, Denmark, France.

Money policy in the U. S. and abroad does not aim at putting a sudden brake on business expansion. Pressure is to be applied gradually and only as needed.



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It takes aluminum to take the drudgery out of ironing. The modern steam iron has a wide aluminum sole plate. You iron quickly, with fewer strokes. You iron well, for aluminum is a fine heat conductor.

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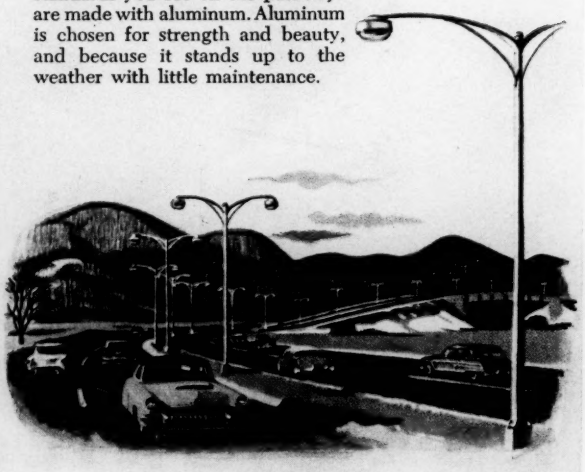
It takes aluminum. Pistons of aluminum are standard equipment in the new high-powered engines of all U. S. automobiles. Engineers' reasons for specifying aluminum: light weight, and fast heat transfer.

It takes aluminum. The new light standards you see on the parkways are made with aluminum. Aluminum is chosen for strength and beauty, and because it stands up to the weather with little maintenance.



Aluminum makes good things better . . . gives them strength with less weight, and beauty that lasts through long service. So aluminum is put to more new uses each month, each year, than any other metal.

To provide U. S. industries with a secure source of the aluminum they will require, power installations and smelting plants in neighboring Canada are now being expanded. Canada has the millions of horsepower of electricity it takes to smelt aluminum, vast waterpower resources not competed for by other industries.

Aluminum from Canada benefits the U. S. economy by assuring factories the raw material they need, and thus helping to insure jobs for over a million U. S. metal workers. . . **Aluminium Limited, Montreal:** One of North America's great aluminum producing enterprises. (In New York: Aluminium Limited, Inc., 620 Fifth Ave.)

ALCAN

Aluminum *from* Canada

STRIKE OUTLOOK FOR AUTOS, STEEL

Industry Getting Set for Threatened Shutdown

Course of business in 1955 could be altered by prolonged strikes that threaten in two basic industries.

Both these industries face unusually tough bargaining—one union trying for an "annual wage" clause, the other for a major boost in rates. If big strikes develop, chain reaction could follow.

Labor disputes that could lead to strikes are developing in the automobile and steel industries.

These disputes are being watched with growing concern. In autos, the first real showdown comes in May. In steel, the critical period is late June and early July.

What happens in these two industries will affect all U. S. business. A prolonged strike in either of them would set off a chain reaction, with successive shutdowns in many other industries. Auto companies are principal customers of many producers in other lines, including steel. Steel companies are the biggest suppliers of a wide range of other industries, including autos.

So labor troubles in autos and steel become a big question mark in any effort to chart the course of business in 1955.

Impact of a strike. This time, it may be a little easier than usual for either of these industries to ride out a strike.

Production in both steel and auto industries has been rising in recent weeks. This suggests the possibility that in the event of a strike there might not be a serious shortage of steel or autos immediately. Whether things actually would work out that way depends upon what happens to production and demand between now and the time of the strike showdowns.

At the moment, however, steel production is running 12 per cent above a year ago, and nearly 38 per cent above the low of last August. Automobile output, too, has been rising sharply.

However, the auto companies usually produce more cars than they can sell at this season, in preparation for the spring buying rush. Some of the steel-production increase is due to demands of the auto industry. There are indications that steel users in some instances may be doing some "scare buying" to be ready if a steel shutdown occurs.

Auto deadlines. An auto strike could begin any time after May 29 in plants of General Motors or June 1 in Ford factories, as the chart on this page shows. Five-year contracts of the CIO's United Auto Workers expire on those dates. Chrysler's agreement runs on until September.

Walter P. Reuther, auto-union head and CIO president, is not revealing his strategy, but it is likely that a walkout will be called in only one company at a time. Either Ford or General Motors, it is expected, will be the target for

(Continued on page 94)

WALKOUTS COMING IN TWO KEY INDUSTRIES?

	Contract expires or reopens	Workers involved	Major demands of union
AUTO INDUSTRY			
General Motors	May 29	300,000	Guaranteed annual wage; pay raise of 10 cents an hour or more; increase in pensions to $173.50 a month
Ford	June 1	135,000	
Chrysler	August 31	132,500	
STEEL INDUSTRY			
The major producing companies	June 30	600,000	Raise in pay (contract bars other demands in 1955)

Photo: H. Armstrong Roberts

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ARE YOU A "Big Spender" --TOO LATE?

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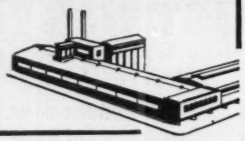

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. . . Car workers want annual wage, pay boost

the strike. Negotiations could continue at the company not shut down by strike, with extension of the union agreement on a day-to-day basis.

If Mr. Reuther can go on strike at one firm and let the competitor continue in production, the union reasons, there will be more pressure on the struck firm for a settlement. When the strike is settled, the contract terms then could be applied to the rival company, which would have the choice of a strike or acceptance.

The auto union usually plays one of the Big Three off against the others in this way. In the end, the companies usually adopt about the same terms. There may be more trouble this year, however, because of the union's demand for a guaranteed annual wage. Mr. Reuther may find no takers on that one.

On the other hand, if the auto union wins an annual-wage plan from any of the companies this year, this will encourage other unions to file similar demands in their industries. Several CIO unions are talking about seeking the wage guarantees, but all seem ready to let Mr. Reuther make the first big try for it.

Auto-union demands. The annual wage is only one of the demands being prepared by the auto union. The guarantee being sought calls for most auto workers to get a full week's wages 52 weeks a year. When laid off, the worker would collect part of it from the State's unemployment-insurance fund and the rest directly from the employer.

Another demand will be for a general wage increase, probably of more than 10 cents an hour. The union says it is willing to renew the "escalator" clause calling for quarterly adjustment of wages as living costs rise or fall, but it wants to hold any contract to a two-year period, rather than the five years covered by the expiring agreement.

An automatic annual raise of something more than 5 cents an hour is part of this demand. Union officials argue that this figure should be larger than in the old agreement.

An increase in pension benefits also is sought. It is proposed that a retired worker, after 30 years of service, should collect $173.50 a month in pensions, including his own Social Security benefits. If he has a wife eligible for a federal pension, that is not counted in the total. The auto pension now is $151, including Social Security.

The union also proposes that it be

(Continued on page 95)

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. . . Steelworkers after 10-cents-an-hour increase

given a voice, with the employer, in determining how the pension-fund money is to be invested.

Auto-union leaders say that they are serious about winning the annual wage this year, even if it means a long strike. They have announced that they will ask the union's convention in March to authorize a temporary increase in union dues to build up a strike fund of 25 million dollars.

A 1955 steel pattern? Bargaining in steel, on the other hand, will be on a more limited basis than in autos. The CIO Steelworkers' contracts with the major steel companies do not expire until 1956, but they allow negotiations this

–United Press

JOSEPH F. FINNEGAN
. . . an early test?

year on the question of a general wage increase. Other demands, such as the annual wage, are banned at this time.

If the union files notice by May 1, it can ask for a pay raise and can go on strike on July 1 in the event that no agreement is reached.

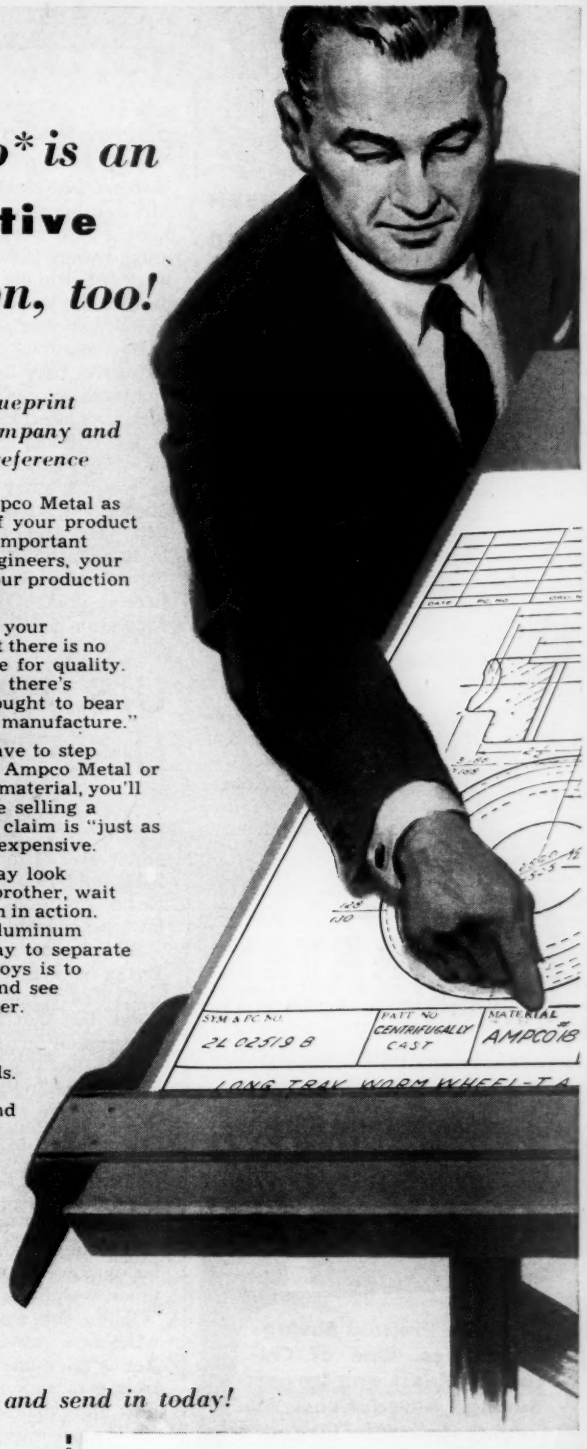
The steel union has not decided how much of a pay raise it will seek. It won a raise of 5 cents an hour last summer and is expected to demand at least 10 cents this year.

Rivalry between the Steelworkers and United Auto Workers may complicate the 1955 bargaining picture.

For example, it is possible that steel companies may agree to a pay raise while Mr. Reuther is out on strike or is negotiating on the question of the annual wage. If David J. McDonald, Steel-

(Continued on page 96)

Ampco is an* **executive** *decision, too!*



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. . . Steel may set pay scale for autos

workers' president, accepts the pay raise, Mr. Reuther might have trouble convincing his auto workers that a strike on the annual wage is worth while. They might want to settle on a cash raise, as in steel, and let the wage-guarantee fight go over to another year.

If steel gives a wage increase, other industries may adopt that as the year's "pattern" in place of the annual-wage plan requested by the auto union.

The outlook, in any event, is for major showdowns in auto and steel industries, as well as many others, in months just ahead. The strike threats will provide an early test for the Government's new mediation chief, Joseph F. Finnegan, New York lawyer. Mr. Finnegan has been named Director of the Federal Mediation and Conciliation Service.

U. S. Control of Union Pensions?

Pressure is building up in Congress for passage of legislation to control welfare and pension funds of unions. A Senate subcommittee now adds its voice to earlier proposals in the House that new laws be enacted.

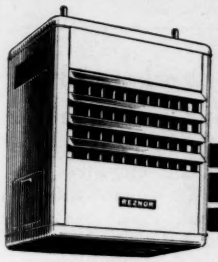
The Senate group, headed by Senator Irving M. Ives (Rep.), of New York, reports that it has no specific legislation in mind, but that further study should be undertaken on several proposals.

One idea is a law requiring all private funds handling pension or welfare programs to file annual reports with a federal agency. The agency would specify types of information required and fund reports would be made available "to all interested persons."

A check of the books of such funds also is suggested. A federal agency would be empowered to inspect all records of union welfare or pension funds.

The subcommittee also questions whether a provision in the Taft-Hartley Act is adequate to enforce federal controls over union welfare funds. The report finds that some unions and employers are not obeying this provision, which gives employers an equal vote with unions on trustee boards for the funds.

Union dues. The constitution of the AFL Electrical Workers sets the minimum dues at $4 a month for members covered by its welfare program and $1.20 for others, a spokesman pointed out, to clarify a chart appearing in this magazine last week.



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Committee Report In House Called Unfair, Wrong

"U. S. News & World Report," in its issue of Dec. 31, 1954, published a report by the House Committee on Un-American Activities which was captioned by the Committee as a "Preliminary Report on Neo-Fascist and Hate Groups." Here are extracts from a letter dated Jan. 21, 1955, received from the editor of "Common Sense," Conde McGinley, Union, N. J., commenting on references to him in the report as follows:

In complete contradiction and in flagrant violation of the basic American principle of a full and fair opportunity to be heard before charges are brought against any person or organization, I was never offered the right to appear before the Un-American Activities Committee. I was denied the right to deny the vicious and malicious untruths with which I was smeared by my accusers and the privilege of presenting to that Committee facts which might make a valuable contribution to the success I wish them in the work they are attempting to do on behalf of all of us.

Common Sense has concentrated on this program since the date of its first issue nine years ago here at Union, N.J. *Common Sense* will close its doors and steal away into oblivion when the period of the Marxist conspiracy for world conquest is no longer the danger that it is today.

° ° °

The religious affiliation, the racial origin and the national background play no part in shaping the policy of *Common Sense* or in influencing my preferences with regard to the persons with whom I am willing to identify *Common Sense* and myself personally. Statements to the contrary are merely sand thrown into the eyes of the public to blind them to realities.

° ° °

If anyone were to charge that *Common Sense* is a "hate sheet" as is charged by those who attack it, it may be true in a technical sense only. *Common Sense* does in fact "hate" the Marxist conspiracy for world conquest with all its implications. From that it may be argued that we also "hate" Marxists. That is true also in a technical sense only. We do not "hate" Marxists as human beings; we do, however, "hate" the thing the Marxists have done, are doing, and will do unless they are effectively exposed and opposed. Who in this nation does not feel exactly as I do on that question? Neither myself nor *Common Sense* expresses an antipathy towards any human being be-

(Continued on page 98)

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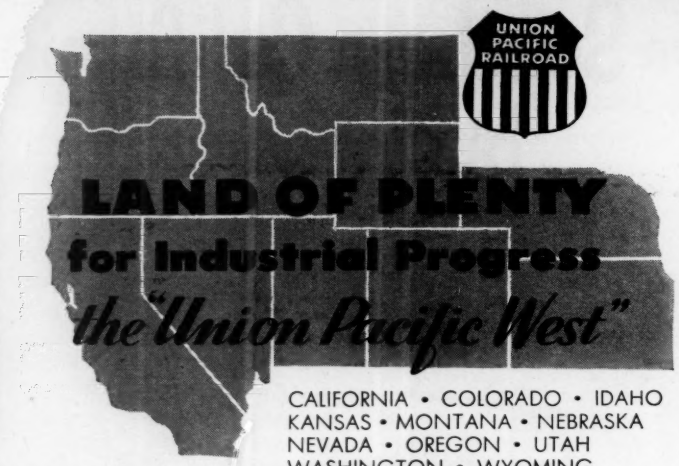

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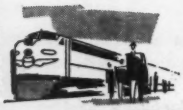

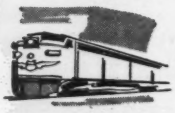

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[Continued from page 97]

cause they worship in any religious group. . . .

If *Common Sense* refers to persons of a certain religious persuasion by the term used to identify such persons, it is only because these persons refer to themselves by their religious persuasion when they seek to identify themselves politically, economically, socially or culturally. They print the label, I only read what is on the label.

° ° °

Following are excerpts from a letter of Jan. 19, 1955, from Robert H. Williams of Santa Ana, Calif., who also was mentioned in the Committee report. He writes:

The false statements were part of an official report by the House Committee on Un-American Activities, and I am aware that you were entirely within your legal rights in publishing the statements as part of an official document. It is reasonable to suppose that you had no knowledge that the statements were false, inasmuch as they were contained in a report by one of the investigative committees of Congress which at times have rendered great service to our country against the Communist enemy.

° ° °

I refer of course to the "Velde Report" dated Dec. 17, 1954, titled, "Preliminary Report on Neo-Fascists and Hate Groups." . . .

° ° °

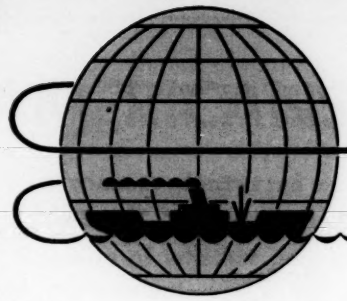
I submit herewith a copy of the January, 1955, issue of my monthly newsletter, carrying photostats of my Army orders, letter of commendation (with my honorable discharge) which show that I was in fact engaged in *counter* intelligence as my primary duty. Counter intelligence is the phase of intelligence which has to do with the prevention of sabotage, espionage and other forms of subversion; the investigation, surveillance and disposition of Communists, Nazis and other subversives.

° ° °

I was at all times except for about 30 days, during my three and a half years of service in the second world war, engaged in counter intelligence, either as my primary duty or as one of my two major duties. As for my assignment with the bomber wing, notice that Gen. Thomas S. Power commended me for performance of duty—"particularly as Wing Counter Intelligence officer." Counter Intelligence was my principal duty for about a year with this wing of B-29s.

The implication in the Velde report that I was dishonorably discharged also is false, as witness the photograph of my honorable discharge from Military Intelligence.

° ° °



Business Around the World

NEW YORK • LONDON • PARIS • SYDNEY

>> The Formosan crisis brought international commodity markets to a boil last week. Markets abroad had been gradually getting up a head of steam for a month or so past. American commodity markets, after many quiet months, suddenly turned from cold to hot as the U.S. looked down a gun barrel.

Prices of a long list of commodities rose quickly.

Rises in New York and/or London were shown by most of the traditional war commodities: copper, zinc, lead, tin, wheat, cocoa, coffee, cottonseed oil, pepper, tallow, lard, cotton, wool, burlap, rubber. Special influences helped the war-scare boost in some cases. For example: labor difficulties in the Rhodesian copper mines.....an over-all shortage seemingly developing in cocoa.....geographical factors in the case of Far Eastern commodities.

Supplies of most commodities are quite ample. A wild scramble by buyers isn't likely, short of a shooting war involving the U.S.

But more adequate covering of raw-material needs is to be expected--especially by American manufacturers. Europeans have been quietly restocking for a while back. They saw earlier what a renewed U.S. boom meant, on top of a European boom. The Far Eastern situation now is prodding Europeans and others to faster action on raw materials.

>> Price rises add to spreading European worries about inflationary possibilities. Banking and government circles, so far, do most of the worrying.

A chorus of warnings about creeping inflation in Britain comes from London bankers. Here's Sir Thomas D. Barlow, chairman of the District Bank:

".....Ominous signs of overstrain have begun to appear in recent months. To the pressure occasioned by an increased volume of exports, there has been added pressure from such other sources as the housing program, industrial-capital projects and the rise in personal expenditures.....Ever-growing activity is leading to over-full employment and, with more jobs to be filled than workers to fill them, there has been a gradual extension of overtime and a renewal of wage claims. With a thinning out of supplies and a lengthening of delivery dates we are, in my opinion, moving toward a situation wherein there might again be a tendency to accumulate stocks beyond normal requirements--a development which, more than anything else, creates shortages.

"If, as is inevitable, shortages are translated into delays, rising production costs and rising prices, the threat of inflation will endanger the volume of our output and of our exports....."

Traditional steps for heading off inflation are being taken in Britain.

Money rates in London are tightening. The Bank of England in late January raised the "Bank rate" from 3 to 3½ per cent. This moves all interest rates up.

(over)

British authorities don't want to smother the boom by pressing down on credit too suddenly or drastically. The Federal Reserve in the U.S. faces the same problem and is gradually tightening credit.

In Sweden, the Government has just taken rather drastic anti-inflationary steps. A heavy tax is suddenly put on capital investments, among other things.

>> Spectacular gains in European stock markets bring out warnings.

European shares have moved up very fast in the last year. There is evidence accumulating that public participation in the London, Paris, Frankfurt, Amsterdam, Basel and other European stock markets is on the increase.

People have jobs. Their wages have stayed well ahead of prices in the last year or so. Savings have piled up. With the means at hand, more people are tempted to take plunges in the stock market.

After all, in France, for example, oil shares went up 150 per cent, on average, during 1954. Chemicals doubled in price. With such killings to be made in stocks, French Government bonds have sagged.

Matter of fact, movement of funds out of gilt-edged bonds into stocks has been going on all over Western Europe. Yields on stocks are lower than yields on prime bonds in France and Western Germany, for instance, and they are getting close to that point in Britain. Same trend shows in the U.S.

This means people often are buying stocks for speculative gains, not for income. High-grade bonds, with prices tied to interest rates, go begging.

Bonds are never popular when inflation is in the air and when there's a good chance that central banks will shove up interest rates to curb the boom.

War scare is simply adding to interest in the stock markets.

>> Build-up of inflationary pressures in Europe comes as a relief to Australia, having its own troubles along that line.

Australian costs are high. Wages are headed even higher in coming months. Australian goods are becoming less competitive overseas. Trade balance is unfavorable to Australia. Lately there has even been unofficial talk of devaluing the Australian pound. That's how serious the situation has looked.

But now, with creeping inflation showing in Europe and a war scare in the Far East, Australians are inclined to wait and see. Their wool, meat and dairy products may now meet greater demand at fancier prices.

>> What is true of Australia is also true of countries such as Chile, Brazil and Bolivia--all suffering from the inflation blues. Higher prices for copper, cocoa and tin make pleasant reading for them. Of course, higher prices for exports won't solve internal problems for these countries. It's just that the pressure to do something drastic to combat inflation is relieved.

>> Don't miss a significant point in the ambitious plan for modernizing the British railways at a cost of 3 1/3 billion dollars over a 15-year span.

Coal-burning locomotives are to be retired. Diesels and electric engines will gradually take over. This switch-over will release coal for other uses. This is important. British miners seem unable to bring up enough coal to meet home and export demands. There's plenty of coal in the ground. It begins to look as if the British Government despairs of increasing coal output and will rely on growing oil imports and early production of commercial atomic power.

AMERICANS OWE $607 BILLION

Debt Tripled in 15 Years and Still Rising

Question of whether people—and government—are using up too much of tomorrow's income is bothering some officials.

With total debt up by a third in five years, new borrowing is at a record clip.

No one doubts that debts are enormous. Question is: How big is dangerous?

A sharp rise in borrowing in this country is causing concern about the size of debts—amounts owed by individuals, corporations and governments. There is official anxiety over the possibility that debts that seem easy to handle in good times can become seriously troublesome if times turn bad.

Enthusiasm for doing business "on the cuff" now has pushed the grand total of debt in this country to about 607.5 billion dollars. That's 159 billion—or more than a third—greater than total debt was only five years ago. The same percentage rise, if it continues, will put the total well up toward the trillion-dollar mark in the next five or six years.

Government's monetary officials, as a result, are making some effort—rather gingerly, so far—to discourage "excessive" or "speculative" borrowing.

To get some idea of where the danger lies in debt that has tripled in 15 years, you need to take a closer look at debts—at how they have grown and who owes them. There are sharp differences among various groups of borrowers.

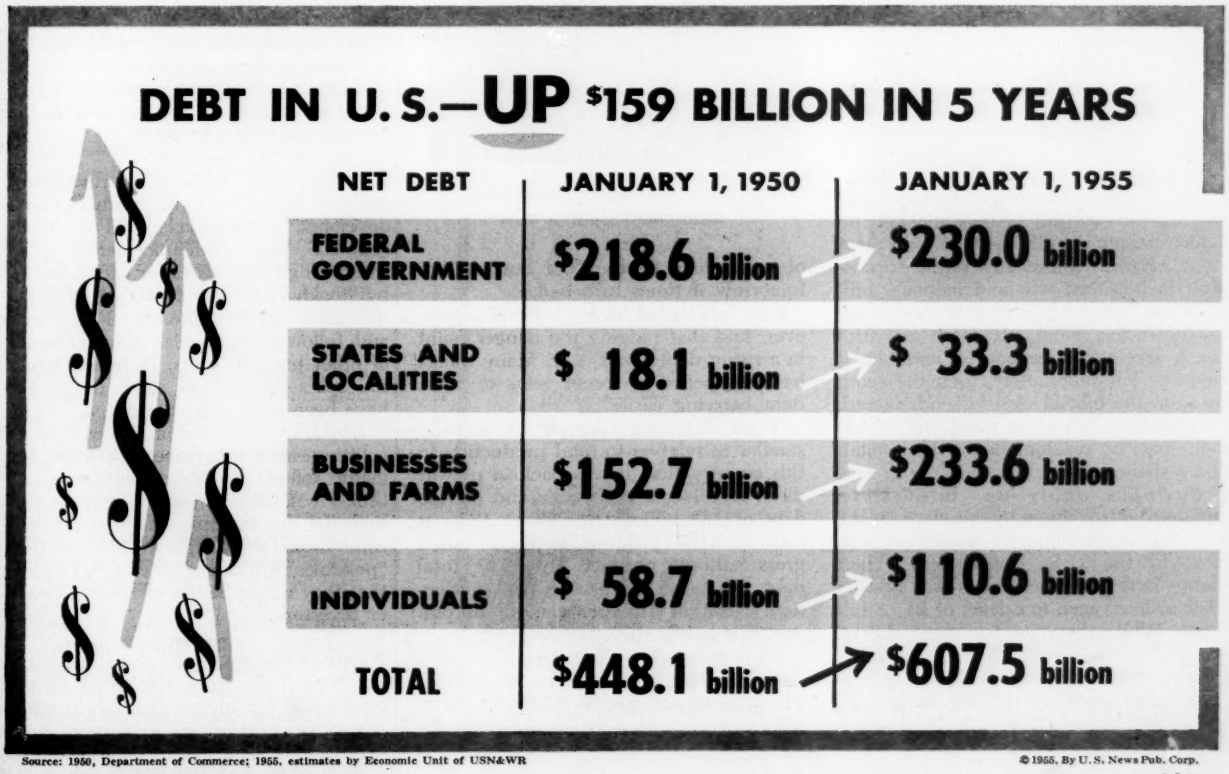
Borrowing at wholesale. The U. S. Government, of course, is the big debtor. As of now, the Federal Government has net debts amounting to 230 billion dollars, as the chart on this page indicates. That, by the way, is a figure that excludes debts owed by one agency of Government to another—as with the Social Security trust funds, for example.

The chart shows, too, that the federal net debt has risen by 11.4 billions since early 1950, just before outbreak of war in Korea. But it's not that rise that is bothering officials most at the moment. The fact is that the Federal Government—the biggest debtor—has been one of the smaller borrowers of new funds in the past five years.

It is the debts of private groups, and of State and local governments, that have shot up so rapidly in the past five years.

Sharpest rise. The real record for borrowing—on a relative basis—is being set by State and local governments all over the country. After almost no rise in their debts during the wartime decade of the '40s, these governments have nearly doubled their debts in five years. They now owe a total of 33.3 billions, and they are continuing to borrow money at an all-time-record rate.

Reason for the splurge of State and local borrowing is one with which federal officials are entirely sympathetic. An enormous backlog of demand for new schools, highways and streets, water and sewerage systems, other facilities grew up during the depression '30s and the wartime '40s. Even the multibillion-



Source: 1950, Department of Commerce; 1955, estimates by Economic Unit of USN&WR

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dollar spending programs started after World War II, though, have been making little progress in reducing the backlog. Growth and shifting of the U. S. population have been creating new demand almost as fast as facilities were built.

Despite their sympathy with States and localities in this pressing situation, federal officials still have some qualms. For one thing, they recall many past periods in history when major depressions robbed States and local governments of the tax revenues required to service and redeem their debts. It's hoped that defaulting on such obligations is a thing of the dim past. But the one way to be sure, officials feel, is to make certain that borrowing does not get out of hand.

For the more immediate future, however, the money managers are concerned lest State and local borrowing and spending reach a level that cannot be sustained. A forced drop in such activities, at just the wrong time, could pull a strong prop of business demand out from under the U. S. economy. A somewhat less hectic pace now, it's felt, could mean a more healthy pace later.

People borrow, too. It is in the spirited borrowing by ordinary individuals and families, though, that officials see the most apparent threats. Personal debts rose by an average of 3 billion dollars a year during the '40s. Since then, they have been rising at an average rate of 10 billion a year. The total now is about 110.6 billion.

On their homes alone, people owe a whopping 71 billion dollars. They owe more than 30 billion on installment purchases and other consumer-financing activities. And they owe more than 9 billion on other kinds of personal debts.

Hard times, officials are aware, could dry up the "surplus" family incomes on which people are relying to pay off these debts. Even without any serious downturn in business, jobs and incomes, officials are wary about family borrowing and spending habits. If those activities reach levels that cannot be maintained more or less indefinitely, then the economy—in the official view—is endangered.

Mortgage borrowing particularly, it is felt, may be reaching levels that entail some risk.

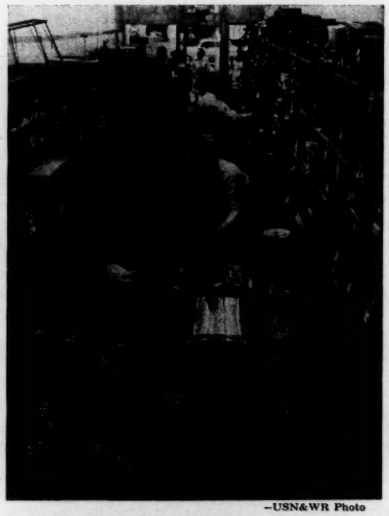
Business debts up. Businesses—lumped with farmers in the chart—make up the second-biggest debtor group, next to the U. S. Government. Their debts have increased by about 53 per cent in five years, to a level of 215.1 billions. While that rise has been slower, percentagewise, than the rise in other private borrowing, an annual increase averaging about 15 billions is not regarded as a development to be ignored.

Bulk of that business borrowing in recent years—62 billions of it—has been done by corporations, although the percentage rise for them has been no greater than for other businesses.

Trend of farm debt. Farmers' debts, meanwhile, have been rising by 1.3 billion dollars a year—on the average—for five years. After a decade in which their debts changed but little, over all, farmers have boosted their debts by 55 per cent in five years, and now owe a total of 18.5 billion.

The decline in farm incomes that started in 1952 slowed that debt rise for a time, but there's evidence that farmers became more willing to borrow in 1954.

Official attitude toward those debts is pretty much the same as toward other debt in the country—the "small burdens" of today may be the "big burdens" of tomorrow if times turn bad.



—USN&WR Photo

BUYING HOUSEHOLD GOODS
Installment debt is vast

Two views of debt. Officials, however, find that judging the danger point in a rising debt is not easy. Many things have happened in recent years to make debt carrying easier.

Total debt, for example, is actually smaller in relation to total production in this country than it was back in prewar days. In 1940, a net public and private debt of 183 billions was about 182 per cent of total production—the so-called gross national product. By 1950, total debt was only 157 per cent of production. Now, at 168 per cent of output, it still is below the 1940 level.

Two things have happened to make debt smaller in relation to production. Physical output in the U. S. has risen substantially, and inflation has put a far higher dollar value on goods that are produced. Debt, rising rapidly, still has not caught up with its prewar relationship to the dollar value of goods produced.

Personal debt, meanwhile, is about 38 per cent of the total personal income in this country in a year. That is just about what it was back in 1940.

Mortgage debt is less in relation to national income than it was in 1929, and almost exactly what it was back in 1940.

Much of today's debt, moreover, is insured, either by Government or business. More important, perhaps, a growing proportion of new borrowing is insured, as in the case of families buying homes on mortgages insured by the Federal Housing Administration or guaranteed by the Veterans' Administration.

At the same time, unemployment insurance, old-age benefits, other relatively new sources of income in time of trouble are counted on to bolster the incomes that are needed to pay principal and interest on both public and private debt.

Finally, as a partial offset to all this debt, individuals and families own a high and rising volume of liquid assets—bank deposits, savings bonds and the like. Individuals alone have accumulated well over 200 billions of such assets—plus a huge stake in homes, corporation stocks and other less liquid holdings.

These facts, taken together, are accepted as impressive evidence that total debt in this country is not dangerously high. Yet officials are keeping a close watch on present rates of new borrowing and spending. Sudden slowdowns in these could cause trouble. It's this trouble that officials are trying to avoid.

› Splits and splinters. Enthusiasm for stock splits, a normal product of well-developed bull markets, still is on the rise. U.S. Steel's announcement of plans to exchange two shares for each one held by stockholders was preceded by Atlantic Coast Line Railroad's 3-for-1 split and followed by similar announcements of other big-firm splits. In recent weeks, the splits—as well as stock dividends—have been coming by the dozen.

If you're interested in issues ripe for splitting—and the price rise that normally follows such action—almost any broker will provide you with his list. One such list, for example, includes 39 "possible future stock splits." Mostly, these "possibles" are shares now priced so high that they might be out of reach of smaller investors.

› Fewer shorts. Total short interest on the New York Stock Exchange—that is, stocks sold for future delivery in anticipation of a drop in price—was lower

in mid-January than at any time in recent months. The aggregate fell by 248,367 shares—or about 12 per cent—between mid-December and mid-January.

If market analysis is your pastime, you may find this contrast interesting: Late in 1954, just before the big spurt in the market, there was more short selling than at any time in years. Now, after the big spurt, there's a sharp drop in short interest.

› Pressure off. Whatever else happens, now that the Treasury has announced terms of its long-awaited refinancing operation, at least investors no longer have to worry about it. Anticipation of the refinancing, and doubts about it, had led to a decline in prices of long-term Government bonds to the lowest point since January, 1954.

Tax Deadlines to Watch

FEBRUARY 10. ***Employers*** who deposited income and Social Security withholding taxes on time during fourth quarter, 1954, file fourth-quarter return, form 941.

- ***Manufacturers, retailers,*** others who deposited excise taxes on time during fourth quarter, 1954, file fourth-quarter return, form 720.

FEBRUARY 15. ***Employers*** deposit income and Social Security taxes, withheld in January if more than $100.

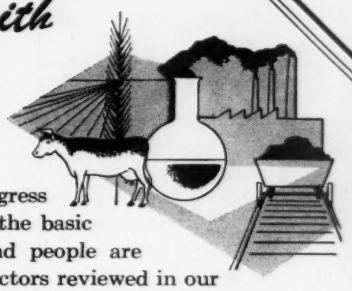
FEBRUARY 28. ***Individuals*** engaged in a trade or business file information return, forms 1096 and 1099, showing payments of $600 or more in fees, rentals, other compensation not subject to withholding to any individual or partnership in 1954.

- ***Corporations*** file information returns showing dividend and interest payments in 1954.
- ***Manufacturers, retailers,*** others deposit excise taxes for January if more than $100.
- ***Gamblers, bookmakers*** pay tax on wagers accepted in January, form 730.

MARCH 1. ***Unincorporated businesses***—partnerships and proprietorships—choosing to be taxed as corporations on 1954 income make such election.

Business with

Belgium



The significant economic progress of Belgium during 1954 and the basic strength of her economy and people are among the many factors reviewed in our new International Economic Survey—No. 98.

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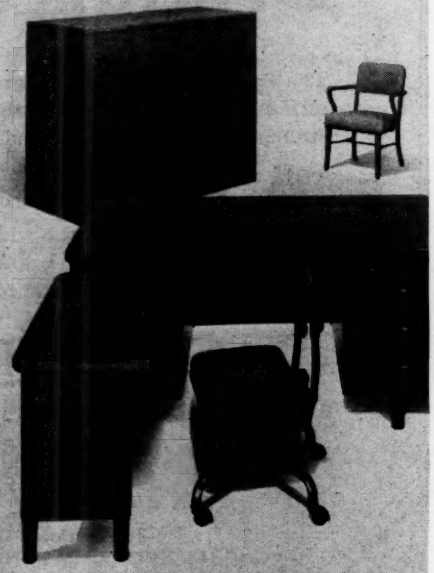

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News - Lines

What you as a businessman ☑ CAN and ☒ CANNOT do as a result of federal court and administrative decisions:

☑ **PLANT ELECTION.** You can urge all your employes to vote in a plant election without violating the National Labor Relations Board's rule against campaigning on company property within 24 hours of the balloting. The Board holds that an employer acted within his rights when he spoke over the plant loud speaker, calling for a big turnout at the polls.

* * *

☑ **TAX APPEALS.** You can find out from your tax collector how to make an official protest against the ruling of a tax-examining officer. The Internal Revenue Service issues instruction on how to make such appeals. It's IRS publication No. 5.

* * *

☑ **REAL ESTATE.** You can, as a real estate dealer, perhaps get a job as an appraiser for the Federal Government. The General Services Administration, through its 10 regional offices, is setting up a nation-wide panel of appraisers to put fair market values on real property the Government is proposing to sell, buy or rent.

* * *

☑ **EXPORT CONTROLS.** You can soon get from the Government a copy of all regulations and policies of the Department of Commerce governing export licensing. The new "Comprehensive Export Schedule" will be available March 31. Subscriptions to the loose-leaf compilation, which is kept up to date by later bulletins, may be bought for $7, or $9 outside U. S., from field offices of the Department or from the Government Printing Office, Washington 25, D. C.

* * *

☑ **PRICE SUPPORTS.** You can look for the Government to continue its price supports for gum turpentine and rosin. This program is extended for 1955 production by the Department of Agriculture on about the same basis as last year.

* * *

☑ **TAX REDUCTION.** You can take an income tax deduction for your expenses in bringing a court suit to recover stolen property. A court of appeals holds that such attorney fees and court costs are deductible as losses from theft.

COLLECTIVE BARGAINING. You cannot legally refuse to negotiate with a union during the first years of its certification as bargaining agent even though a majority of the employes in the bargaining unit repudiate the union. NLRB finds that an employer violated the Taft-Hartley Act when he stopped negotiations after 70 per cent of those in the unit turned against the union.

* * *

STRIKERS' RIGHTS. You cannot expect the Labor Board to deny a vote in a plant election to strikers who have not been discharged or replaced, even though they have been guilty of strike misconduct that would bar their reinstatement. A court of appeals says that such strikers are entitled to vote in a NLRB election.

* * *

INCOME TAX. You cannot, as a foreign manufacturer, avoid paying a U. S. income tax on your profits from sale of your product in this country through an agent. The Tax Court rules that a Canadian manufacturer who sold his post cards through a news company on a consignment basis must pay a U. S. tax.

* * *

EMPLOYES' TRUSTS. You cannot, as a trustee of a pension, profit-sharing or stock-bonus trust, fail to file an information return showing payments made. The Commissioner of Internal Revenue reminds trustees that these returns still are required under the new Internal Revenue Code.

* * *

MACHINE TOOLS. You cannot expect to pay the same rentals as before for machine tools that you lease from the Government. The Defense Department announces increases in these rental rates. Rentals will range from 1 to 2 per cent a month of the original costs of the tools, depending on their age.

* * *

OIL-GAS LEASES. You cannot make an offer for an oil or gas lease on Government-owned land without using a new application form just issued by the Department of Interior. The new forms, which are available at offices of the Bureau of Land Management, are expected to simplify the handling of these applications.

Conclusions expressed in these paragraphs are based upon decisions and rulings of courts and Government bureaus. In making their decisions, courts and bureaus consider many facts which, for reasons of space, cannot be set forth in detail. U. S. NEWS & WORLD REPORT, *on written request, will refer interested readers to sources of this basic material.*

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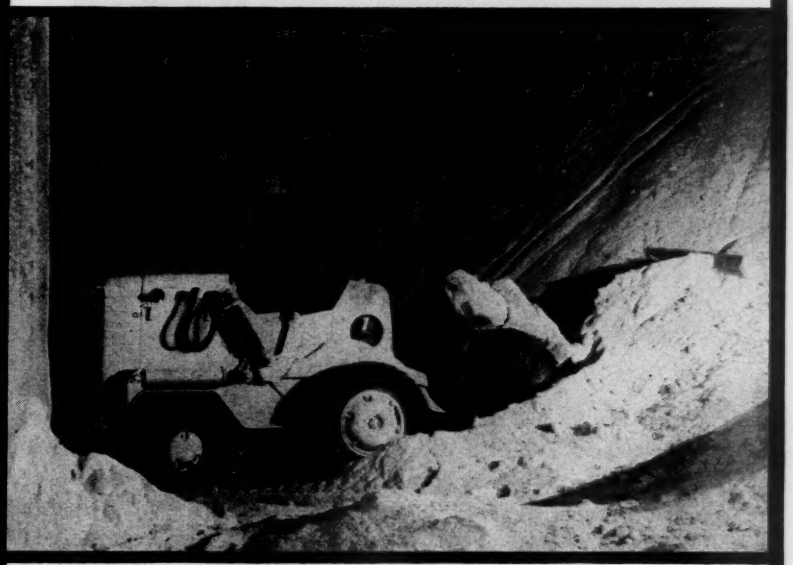

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REVEALED—

BLUNDERS of WORLD WAR II

EDITOR'S NOTE: Enough time has now elapsed since World War II for an appraisal of the strategy employed in that conflict. Now it can be told what blunders were made, and how those blunders today are affecting the course of history.

Capt. W. D. Puleston (USN, Ret.) makes such an appraisal in a book, soon to be published, which he entitles "The Influence of Force in Foreign Relations."

In this book, Captain Puleston examines the policies and tactics of all major participants in the war. He finds the record full of blunders—on both sides. Some of those blunders he holds responsible for military reverses, needless loss of American lives. Others—such as the secret deal with Stalin at Yalta—are blamed by him for Russia's rise to menacing power and the present threat of a new world conflict.

Captain Puleston has been at work on this book since 1945, has had the benefit of intimate contact with many officers who participated in big events of the war.

The author speaks from a broad background as naval officer, historian and military analyst. A graduate of the U. S. Naval Academy, Naval War College and Army War College, he served aboard destroyers in European waters during World War I. From 1934 until he retired in 1937 he was director of intelligence in the Navy Department. Recalled to active duty in 1939, Captain Puleston was special adviser to the Secretary of the Treasury for two years. Then, during World War II, he was special adviser to the Secretary of the Navy on economic warfare. He has written several books on military subjects, has contributed frequently to magazines and has been referred to as a "modern Mahan" in his writings about military strategy.

One blunder that the U. S. cannot afford to repeat, in Captain Puleston's opinion, is that of permitting a potential enemy to strike the first blow—as Japan did at Pearl Harbor. With the great destructive power of modern weapons, he warns, that would be suicidal. Instant retaliation, he maintains, is not enough to insure this country's survival in a nuclear war.

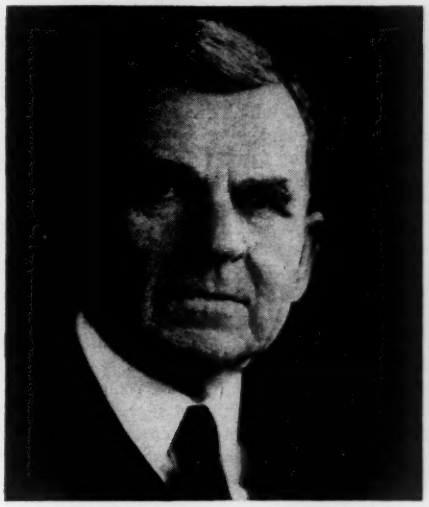
Yet, the author points out, American policy today is still based on allowing an enemy the initial advantage of striking first.

Captain Puleston suggests that there is an alternative to "preventive war" that would be neither immoral nor illegal—a way that would assure the U. S. "at least an even break." That alternative is described in the excerpts from his book that follow.

The views presented here are those of the author and not necessarily of this magazine.

By Captain W. D. Puleston, USN, Ret., Noted Military Analyst Who Asks —

"MUST U.S. AGAIN TAKE FIRST BLOW?"



(Although the complete book, "The Influence of Force in Foreign Relations," will not be published until Feb. 24, 1955, by the D. Van Nostrand Company, Inc., New York, *U. S. News & World Report* has obtained world-wide first serial rights to print excerpts in advance of regular publication.

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(Quotations of less than 1,500 words are released for publication in morning newspapers of Feb. 1, 1955. Permission to reprint in excess of 1,500 words prior to book publication must be obtained from United States News Publishing Corporation.)

Excerpts from the book follow:

PART I — Blunders That Changed History

Blunder No. 1: STALIN'S ALLIANCE WITH HITLER AND INTERNATIONAL INTRIGUE

In April 1933, shortly after Hitler and Roosevelt rose to power, Stalin expelled one third of the members of the Communist Party. In November of the same year his Red regime was recognized by President Roosevelt; within a few months Roosevelt was involved in a controversy with Stalin's Ambassador Litvinov in which the Red envoy flatly contradicted the President. In their first verbal skirmish with the President, the Reds had the last word. In 1934 Stalin signed a nonaggression pact with Poland and the Baltic States, and negotiated treaties with Czechoslovakia and Rumania, recognizing the latter's annexation of Bessarabia. He was welcomed into the League of Nations and celebrated the occasion two months later by a new purge. Stalin's ruthlessness created no official unfriendliness among foreign countries. Later the Spanish Republic gladly accepted his assistance in its civil war.

In June 1934, Hitler adopted Stalin's methods of ridding himself of party rivals; not to be outdone, young Japanese officers revolted and assassinated two Cabinet officers. The world-wide depression had added to the resentments among defeated nations and the unsatisfied victorious nations of World War I. Hitler's first attempt in 1934 to seize Austria was foiled by the prompt action of Mussolini, who despatched two army corps to the Brenner Pass. The subsequent failure of Great Britain and France to fulfill their pledges to support Italy's aspirations in Africa alienated Mussolini. Soon after, he assisted Hitler in consolidating his authority in Germany, in rearming the Reich, and in annexing Austria.*

Between 1933 and 1938, Hitler kept the army busy and happy increasing its strength; he made General Halder Chief of Staff in place of General Beck who had opposed the invasion of Czechoslovakia. He gained the support of the navy by promising Admiral Raeder it would no longer be subordinated to the Army General Staff. Air Marshal Herman Goering was a devoted Nazi follower. In five years Hitler had secured dependable Chiefs of the Armed Forces, and he accepted

*For details, see *The Goebbels Diaries*, Doubleday, p. 461.

their advice to reach an understanding with Stalin before invading Poland; which he easily obtained by offering Stalin more than England and France could give him plus the prospect of peace with Germany. Ribbentrop and Molotov arranged the details of the nonaggression pact in September 1939.

The Hitler-Stalin love feast quickly climaxed as Red troops occupied East Poland, Estonia, Latvia, and Lithuania. Later when Stalin invaded Finland he warily watched Hitler, but by April 1940 his hands were again free; and Hitler looked over his shoulder nervously at Stalin, as the Nazis invaded western Europe. The sudden collapse of France in June 1940 increased the self-assurance of Hitler and revived the fears of Stalin, who redoubled his efforts to reorganize the Red army. He made Timoshenko, his most successful combat General, Commander-in-Chief, allowed him to reduce the indoctrination of recruits in communism and to give them more training in the use of arms.

° ° °

In September 1939, Chamberlain returned Churchill to the Admiralty and as First Lord he began a correspondence with the President that continued until his death. In May 1940, Churchill became Prime Minister and promptly wrote Stalin assuring him that Great Britain was determined "to save herself from German domination" and then to free Europe. He asked Stalin to consider how German hegemony in Europe would affect Russian interests. His statesmanlike appeal was buttressed by the successful British resistance of the Nazis that gave Stalin another breathing spell. Stalin, always fearful of German designs on the small states lying between the Baltic and Black seas, received Sir Stafford Cripps, the British Ambassador, personally—an unusual compliment. Simultaneously, the Red leader strove to persuade Hitler that he was convinced that the triumph of the Nazis was assured while he ordered Red envoys abroad to encourage resistance to Germany. Hitler, equally suspicious of Stalin, sent German troops into Finland and Rumania and, when Stalin protested, blandly replied that Nazi troops were only intended to resist projected British invasions.

After September 1940, when Hitler abandoned his half-hearted intention to invade England, he had been compelled to contemplate hostilities with Russia for he knew, while he was expending sea and air forces attacking the British Islands and commerce, that Stalin was busily strengthening his armed forces and stubbornly insisting upon a larger share of the spoils of war. Before resorting to arms, Hitler invited Stalin to join Germany, Italy, and Japan in long-range plans to dismember and divide the British Empire. Stalin accepted tentatively but suggested that he and Hitler first apportion among themselves territory already acquired or at their mercy in Europe; he proposed that the Nazis withdraw from Finland and Rumania, recognize that Bulgaria was within Russia's sphere of influence, assist the Kremlin to obtain bases in Turkey and an outlet to the Mediterranean, and then discuss dividing the remaining Balkan territory between Russia and Germany. Stalin's huge demands enraged Hitler. In November he began to squeeze the Reds out of the Balkans and, on December 18, he began "preparations to crush Soviet Russia in a quick campaign before the end of the war with England."

In January 1941, Stalin protested Hitler's actions in the Balkans; on April 4, he concluded a treaty with Yugoslavia just before the Nazi invasion. Matsuoka arrived in Berlin soon afterward to reaffirm Japan's allegiance to the Axis. Hints dropped by Hitler and Ribbentrop of the imminent invasion of Russia did not prevent Matsuoka from stopping at Moscow on his return to negotiate a Japanese-Russian accord. Relations between Japan and the United States worsened just as tension between Russia and Germany increased, facilitating a bargain that relieved Russia and Japan from the danger of a war on two fronts.

Stalin apparently persuaded himself that he could preserve peace with Germany—his first major mistake. He knew that Churchill would obstruct his attempt to conciliate Hitler; but felt confident that in England's desperate situation the Prime Minister would be compelled to assist Russia if attacked by Germany. When the British Ambassador warned the Soviet Government of the impending Nazi attack, Stalin publicly accused the British Government of attempting to bring on a Russo-German conflict. The invasion surprised Stalin; but he had anticipated Churchill's reaction correctly because the Prime Minister immediately ranged Britain by the side of Russia and sent the Right Honorable Anthony Eden, the British Foreign Minister, to Moscow to ascertain Russian needs.

Stalin had secured his Pacific frontier by his treaty with Matsuoka; he increased the number of recruits, male and female, for the army, and accelerated and modernized their training. He converted factories to war production, and constructed new ones designed primarily to supply the army. Throughout the war, these factories furnished practically all the Red guns, rifles, and ammunition; the United States and Great Britain supplied trucks, motorized equipment, boots, shoes, and petroleum products. The Allies provided the mobility, Russian workers and factories the firepower of the Red army.

Hitler and Stalin offer a perfect example of two shrewd, unscrupulous heads of government each seeking to overreach the other. Churchill's action in dispatching Cripps to Moscow as Ambassador to detach Stalin from Hitler reveals the measures any European minister will take when his country is in need. Likewise Roosevelt, instead of asking Congress to increase the armed forces, had sought British aid to resist Japan in 1938. After the collapse of France, Roosevelt established closer ties with Churchill. Relations between the Anglo-American leaders were on a higher level than those between Hitler and Stalin, or Stalin and Matsuoka; but Churchill strove as earnestly to involve the United States in the war as Hitler did to persuade Japan to attack either Vladivostok or Singapore. International intrigues invariably precede and accompany global wars. However, it is rarely possible for one nation to persuade another nation to supply aid in a war without paying them more than it would cost to provide their own armed forces.

While the United States was still nominally neutral, Roosevelt joined Churchill in rushing aid to Stalin, who subsequently used the same methods with them that he had employed in negotiating with Hitler. Roosevelt and Churchill decisively influenced Anglo-American policy and strategy. They typify the civilian leadership Anglo-American citizens can expect in a future war. Their concepts of policy and strategy and their methods of conducting diplomacy and war are apt to prevail in a third World War, unless American and British voters insist that their political leaders pay more attention to the causes, conduct, and consequences of war.

Churchill, having been dropped from the Admiralty by Asquith for overruling his professional adviser, Admiral Fisher, was reinstated in the Cabinet by Lloyd George in 1917. During the remainder of the war he supported Lloyd George's strategy of dispersing British divisions in Salonika, Mesopotamia, and Palestine. Lord Beaverbrook attributed Churchill's action in World War I to "his assurance and self-confidence. He was honestly convinced that only by his advice and methods could it (the Empire) be saved." From 1924 to 1929 he served in Baldwin's Cabinet. According to Captain Grenfell he did little to strengthen the armed forces. For the next decade he was in Parliament but not in the

government. He opposed Baldwin's foreign policies and criticized failure to support the armed forces. When, as he had predicted, Hitler struck in 1939, public opinion demanded his return to the Admiralty, where his vigorous action in establishing convoys and adopting other anti-submarine measures reduced submarine losses in the first months of the war.

Roosevelt and Churchill had met in London in the latter part of World War I when Roosevelt was Assistant Secretary of the Navy. Soon after Churchill's return to the Admiralty he received a personal letter from the President inviting him and Prime Minister Chamberlain to forward any information they desired him to have. Churchill accepted and began a correspondence that continued throughout the war. As First Lord of the Admiralty, Churchill, still rueful over his expulsion from the Cabinet in 1915 and its subsequent handicap to his political career, accepted some professional advice from his First Sea Lord, Admiral Sir Dudley Pound; notably so when Churchill, although he agreed with Admiral Sir Roger Keyes that the Royal Navy should intervene in the Norwegian campaign, nevertheless informed the House of Commons that he would accept the advice of the First Sea Lord to oppose intervention.*

When Churchill became Prime Minister he exulted in becoming Great Britain's "accepted leader"; he was confident that he knew what "orders should be given." Familiar with parliamentary-cabinet government, by a simple device he took direct command of the armed forces. He created a new office, the Ministry of Defense, and became its Chief. He thus consolidated the direction of the war in his own hands and his action met the approval of the Crown and the Parliament. Thereafter, subject only to the approval of the War Cabinet and House of Commons, Churchill ran the war. Members of the War Cabinet were his appointees; they could be dropped if they did not approve his plans. The Prime Minister, a veteran of Parliament and a sincere believer in parliamentary government, knew how to appeal to the House. In the darkest hours of the war he could always get a vote of confidence. Churchill's system of directing the armed forces closely paralleled that adopted by Roosevelt when he placed the Joint Army-Navy Board directly under his orders. In both countries civilian secretaries of military departments were by-passed. The Prime Minister and President had legislative and constitutional authority for their action. And the similarity of the systems facilitated the subsequent establishment of the Combined Chiefs of Staff.

The President's senior naval adviser, Admiral Harold R. Stark, became Chief of Naval Operations in September 1939 just as Hitler invaded Poland, and Roosevelt declared a limited national emergency. Stark's army colleague, General George C. Marshall, had been chosen Chief of the War Department General Staff in 1938 after serving as Assistant Chief. According to Sherwood,† Marshall attributed his appointment to the Honorable Harry Hopkins and stated that during their subsequent long and intimate association he had only one serious disagreement with Hopkins: and that concerned General Stilwell's relations with Chiang Kai-shek. Stark had served as Chief of the Bureau of Ordnance and as Aide to Secretary of the Navy, the Honorable Claude Swanson. Both officers were familiar with the organizations of the departments, knew their way around Washington, and had often appeared before Congressional Committees. Throughout their service they worked together harmoniously.

In a letter to Admiral T. C. Hart, Commander-in-Chief of the Asiatic Fleet, written in February 1940, Stark promised to keep him informed of actions "contemplated by the State Department and to support him in a firm policy." About the same time Stark wrote Admiral J. O. Richardson, Commander-in-Chief of the U. S. Fleet, repeating Hart's opinion that 1940 might "prove critical in the Far East" and his own view that what happened in the western Pacific might be more important to the United States than "troubles in Europe." This was the general opinion in Washington as 1940 opened. The French army reinforced by the British Expeditionary Force was comfortably deployed in the Maginot Line which the War Department was convinced the Nazis could not break; the War Office in London held the same view, and Liddell Hart, the *London Times* military expert, told his readers that French defenses were impregnable.

Blunder No. 2: KEEPING U. S. FLEET AT PEARL HARBOR

Probably at the suggestion of the State Department, the President ordered the United States fleet to remain at Honolulu after the spring maneuvers in 1940. Later, after the Germans crashed through Anglo-French armies, Churchill was made Prime Minister and, among other requests, immediately asked the President to restrain Japan. In reply Roosevelt pointed to the fleet in Honolulu. Admiral Richardson did not think that the fleet's presence in the Hawaiian Islands without tankers or supply ships would deter the Japanese Government. He was also convinced that the paramount interest of the United States was the security of the Western Hemisphere and that war in the Far East should be avoided. He and Stark were intimate friends: he took the liberty of reminding the Chief of Naval Operations that the latter was the President's Senior Naval Adviser and that if he did not tell the President the facts concerning the naval situation, no one else would.

Richardson practiced what he preached. On October 8, 1940, at a luncheon with the President and Admiral W. D. Leahy, former Chief of Naval Operations and subsequently the President's Chief of Staff, Richardson restated his views to Roosevelt who just as positively replied that he knew "that our fleet has had and is now having a restraining influence upon Japan's actions." Richardson sturdily maintained his position, adding, "I know our fleet is disadvantageously disposed for preparing or initiating war operations." He also told the President the fleet was not ready for war, a statement that embarrassed Leahy who, as Chief of Naval Operations, previously had advised Roosevelt that the navy was ready for war. In January 1941, the President quietly relieved Richardson of his command a year short of the usual tenure of office. His successor, Admiral H. E. Kimmel, later corroborated Richardson's views. Testifying to the Congressional Committee investigating the disaster at Pearl Harbor, Kimmel said that he knew "the fleet at Pearl Harbor was vulnerable . . . that he thought the Navy Department also realized that fact . . . that the Administration insisted upon the fleet remaining there . . . that he [I] had the choice of refusing the Command or accepting it under prescribed conditions . . . later he [I] wished that he [I] had declined the appointment."

During 1940-41 Stark did his utmost to increase the navy and prepare it for war; after June 1940 Congress gave him ample appropriations. But the Presidential campaign was on; Roosevelt, candidate for a third term, was plagued by differences between Democratic leaders whom he did not wish to offend. Also he had promised labor leaders that shifting industry from consumer goods to munitions would not reduce benefits labor had obtained under the New Deal. Accordingly he ignored the recommendations of a Board he had appointed to facilitate the transition of industry to war production.

*But even at this time, the British official naval history (*The War at Sea*, by Captain S. W. Roshill) notes difficulties and confusion caused by Churchill's frequent direct interventions in fleet operations.

†*Roosevelt and Hopkins*, by R. E. Sherwood, Harper & Brothers.

Output of munitions lagged and convinced Admiral Stark that Americans would not produce bullets instead of butter until they were drawn into war. He also believed that unless the United States did help England she would be defeated and then the United States would face Germany and Japan alone and still unprepared.

Stark may have reached this conclusion independently, but he was very loyal to the President and this was the view of the Administration. Stark's loyalty limited his efforts in thwarting State Department strategists and restraining the President's own impulsive naval strategy. One example will suffice: on February 11, 1941, after giving sound professional reasons for opposing a strategic deployment of the Pacific Fleet proposed by Roosevelt, Stark added ". . . I will defer to your better judgment with a cheerful 'Aye, Aye, Sir'. . . ." On a technical problem, such as a fleet deployment, Stark's professional views were supposed to be accepted by the President or, if he had lost confidence in Stark, he should have relieved him. Stark's answers encouraged Roosevelt to make other strategic suggestions or to pass on some from his correspondent, Winston Churchill, who was also "brimful" of strategic plans.

Before and after our entry into the war the President was given some very poor professional advice by Stark and Marshall. He could have selected other advisers; instead he became more receptive to suggestions from the State Department, from Harry Hopkins, and ever more willing to follow his own impulses.

The President's service as Assistant Secretary of the Navy had familiarized him with departmental procedures and their inevitable delays and added to an innate aversion to using official channels. Important orders were sent directly to Sumner Welles or bureau chiefs in the navy on a White House memorandum pad with the formidable initials, "FDR."

Early in the New Deal era, Harry Hopkins had gained Roosevelt's confidence. Mrs. Roosevelt explained that her husband found "companionship and loyalty" in Hopkins who, she said, would give his opinions honestly, but she added that Hopkins frequently agreed with the President "regardless of his own opinion" or would wait for an "auspicious moment" to broach a subject, for he soon learned that Roosevelt "did not like opposition too well. . . ." Members of the Cabinet and the Chiefs of Staff, as well as Hopkins, soon learned that the President did not enjoy opposition. Some used Hopkins to learn Roosevelt's ideas in advance or to gain his approval of their plans. The rest usually waited to be told what to do. Mrs. Roosevelt credited her husband with educating Hopkins in world politics and grand strategy, after he moved into the White House in May 1940. Certainly Hopkins made himself indispensable and did not restrict his activities to world politics for, at the Democratic convention, he took charge of the delegates who nominated the President for a third term.

After the election, Hopkins helped the President to formulate lend-lease legislation. In January 1941, he was sent to London as Roosevelt's emissary to discuss with Churchill measures for increasing American aid to Great Britain and immediately reported that Britain "needs our help now—with everything we can give them." The President accepted this advice and appointed Hopkins as his representative on lend-lease. Thereafter, Hopkins decided the distribution of munitions produced in the United States. Hopkins was favorably impressed by Churchill, whose main concern was obtaining war material for his hard-pressed country. The Prime Minister maintained direct communication with Hopkins, leaving other diplomatic matters to be handled by Foreign Minister Anthony Eden, through Ambassador Winant with Secretary Hull. Soon after his return, Hopkins sent the Honorable Averell Harriman to London as his personal representative to manage lend-lease directly with the Prime Minister, and obtained the President's consent to assign Mr. C. E. Bohlen as liaison officer between the State Department and White House.

In July 1941, the President sent Hopkins to London to arrange the agenda for the Argentia Conference with Churchill. At this conference, upon the request of Roosevelt, the Prime Minister prepared the first draft of the Atlantic Charter. According to Churchill, the purpose of the charter was to persuade Americans to accept closer ties with England, and he considered it astonishing that the President "of the United States still technically neutral" joined "with a belligerent power in making such a declaration . . ." The inclusion in the declaration of the hope of the two nations to create a better world "after the destruction of Nazi tyranny" Churchill thought implied a challenge that Hitler was too wise to pick up. So what pleased him most was Roosevelt's promise "definitely to use hard language" to Japan. Churchill correctly anticipated that the State Department would "tone it down"; but, even as read by the President to Nomura soon after and sent to Tokyo, the message convinced the Japanese Ambassador that if Japan attacked either British or Dutch possessions in the Far East the United States would enter the war. Nomura reported his opinion to his government who accepted it and reached their subsequent decisions on his assumption. This policy caused their navy to strike simultaneously at British, Dutch, and American forces when they began the war.

It was while Hopkins was in London arranging the meeting at Argentia that Roosevelt sent him to Moscow to assure Stalin of American aid. On Hopkins' recommendation, Roosevelt began direct communication with Stalin. Hopkins with rare tact soon became the confidant of Roosevelt, Churchill, and Stalin. The reactions of the President, Secretary Stimson, Secretary Knox, Admiral Stark, and General Marshall to the invasion of Russia have been given. The advice given the President by his senior professional advisers may explain and certainly partially justifies Roosevelt turning to Hopkins. In any event, after Hopkins' visit to Moscow his activities and influence increased rapidly. Except for seven months in 1944 when he was in the hospital, Hopkins was the regular intermediary between the Big Three. He assisted the President in preparing for Allied conferences and sat at his elbow during them. At Teheran and Yalta, important suggestions made by him were accepted by Roosevelt.

In addition to representing the President in lend-lease, Hopkins was chairman of the committee that controlled the disposition of strategic materials. No one in the war or navy departments could ignore him. He began dropping in uninvited to meetings of the Joint Army-Navy Board and no member dared to object. Stimson and Marshall expressed a high regard for him that was not fully reciprocated; Hopkins said that Stimson "is obviously unhappy because he is not consulted about the strategy of the war, and I think he feels that I could be more helpful in relating him and Marshall to the President." On another occasion, Hopkins slightingly remarked that Stimson and Marshall "feel we cannot win without getting in the war, but they have no idea how that (getting in the war) is going to be accomplished." Admiral Stark openly expressed the same conviction that we could not win unless we entered the war. He and Marshall rarely disagreed, so Hopkins' estimate of Marshall's and Stimson's views was probably correct.

On several occasions in 1940-41, Stark unsuccessfully endeavored to get definite answers from the President about his policies. Roosevelt replied on one such occasion that when he was in doubt about the right course of action he generally did nothing. On another occasion he told Stark

to quit asking him what he would do if the Japanese continued their advance southward. Sherwood observed Roosevelt's reluctance to limit his future freedom of action by making commitments in advance. Any White House correspondent could vouch for his refusal to answer "iffy" questions.

Blunder No. 3: HITLER'S MISTAKEN STRATEGY IN RUSSIA

Relations between Churchill and Stalin quickly drew closer after Hitler invaded Russia. Der Fuehrer's occupation of the Sudetenland without opposition, his quick conquest of Poland and France had finally convinced the German General Staff that Hitler was "an untutored genius of war." The army accepted his leadership because of his land victories; the navy, for his invasion of Norway and his pledge to construct a fleet. His repulse in the battle for Britain did not dim the luster of his European victories. Elated by successes, he willingly assumed control of the armies and accompanied them in the field, still convinced that his inner consciousness was a surer guide to success than advice of the General Staff. Hitler's generals acquiesced in his plan to destroy Red armies in a brisk, summer campaign. They were so confident of success that they did not provide winter clothing for troops and made no arrangements to operate motorized transport in sub-zero temperature.

Like Churchill, Stalin was Minister of Defense; he also directed Russia's foreign policy and acted as Quartermaster-General. He never visited the front but ran the war and governed Russia from the Kremlin. He solicited the views of Field Commanders, insisted on positive answers to questions but allowed time for careful consideration of the situation. When Field Commanders disagreed, he informed them of their different recommendations and asked them to reconsider. Then he made the final decision. When the invasion began in June 1941 the opposing forces were arrayed as follows:

Reds	*Post*	*Nazis*
Stalin (in Kremlin)	Commander-in-Chief	Hitler (in the field)
Shaposhnikov	Chief of Staff	Brauchitsch
Voroshilov	Northern Army	Leeb
Timoshenko	Central Army	Bock
Budenny	Southern Army	Rundstedt

The territorial objective of the Nazi northern army was Leningrad; of the central army, Moscow; of the southern army, Kiev. The tactical objective was the destruction of Red armies west of the Dniester River before winter began, because the roads eastward would not thereafter be fit for motorized warfare. The Nazi army commanders were the same leaders who had crushed Poland and western Europe.* They employed the same grand tactics that had succeeded in Poland and France. They strove to encircle Red armies in a double envelopment; the inner enveloping force of two groups of motorized infantry moved on opposite semi-circumferences of the smaller inner circle; the outer enveloping forces led by Panzer Divisions moved parallel but in much wider semi-circumferences. If claws of the inner and outer forces could close almost simultaneously, the opposing Reds would be caught in a double bag and their destruction insured.

Stalin's purpose was "to drive Hitler's armies out of the Soviet Union." His strategy was to trade land, beginning with the provinces recently given him by Hitler, for time to complete the training of sufficient divisions to eject the invaders. As Red armies retreated, the earth would be scorched and irregular troops trained in guerrilla tactics would be left behind. Inhabitants must evacuate or remain to starve. About 75 per cent of Russian factories were around or west of a line running through Leningrad, Moscow, and Stalingrad. As armies retreated, Stalin evacuated factories of machines, workers and their families, repeating on a large scale Chiang Kai-shek's removal of Chinese factories ahead of Japanese invaders.

Had Stalin been given all details of Hitler's plan, he could not have devised a better defense. Only once did the Nazi double envelopment tactics work as planned. Near Kiev, Rundstedt surrounded, killed, or captured almost 600,000 Red troops, but only after being held up for two months and with the aid of General Bock's central army. In September, Timoshenko with fifty divisions launched a counterattack that forced the Nazis to retreat almost to Smolensk and saved Moscow temporarily.

Along the high road to Moscow, Bock nearly succeeded first at Slonim, next at Smolensk. Thousands of Red soldiers were killed or captured, Minsk was taken, but the bulk of the Red army crossed the Dniester in good order and were regularly reinforced as they fell back.

At Smolensk the Nazis were 200 miles inside Russia, as far as they had planned to go to destroy Red armies, but the Red armies had not been destroyed. Hitler, cheered by the victory on September 26 at Kiev, in the following month ordered the advance on Moscow resumed. Bock was still confident he could surround and destroy the opposing armies in the neighborhood of Moscow, as Rundstedt cleared the Black sea coast of Red troops and advanced into the Caucasus.

In World War I, Field Marshal von Falkenhayn had warned Hindenburg and Ludendorf that tactical envelopment would not succeed against Russian armies on account of their numerical supremacy and the huge area of the country which enabled them to withdraw repeatedly without abandoning vital areas. Except for Rundstedt's success at Kiev, the experience of Hitler proved that Falkenhayn was correct. Again and again, superior Nazi leadership, personnel, and equipment enabled them to encircle some and to destroy or to capture many Red divisions. But more divisions withdrew from the noose, and their formations were refilled. The Red armies, reinforced by reserve divisions, formed new lines in the rear compelling the invaders to mount other attacks which required time and more supplies, particularly gasoline, for as the Nazis advanced they stretched their line of communications.

It is reported that General Guderian, Commander of Bock's Panzer Corps, realized that encircling tactics could not destroy the Russian army; he proposed to drive straight for Moscow with his tank divisions to keep the Russians on the run. He might have reached that vicinity sooner, but Russian reserves coming from the east, north, and south could still have anticipated his arrival in front of Moscow. Red commanders were not panic-stricken when tank columns crashed through their lines. They re-formed on either flank of the enemy and counterattacked. It was impossible with Hitler's forces to overrun or destroy the numerically superior Red armies as long as they followed Fabian tactics and adhered to the scorched earth strategy of Stalin, whose nonaggression pact with Matsuoka enabled him to reinforce his European armies with one half of the Siberian army.

By the end of the Argentia Conference, leaders of two still unacknowledged opposing Alliances were in charge: Roosevelt, a benevolent neutral, Churchill, Stalin, and Chiang Kai-shek, with General de Gaulle representing the Free French and the representatives of occupied governments of Poland,

*After the war Brauchitsch, Halder, and Rundstedt claimed they opposed the invasion; undoubtedly Rundstedt did, but all three made preparations as ordered and none of them provided winter clothes for the army, so they must have expected victory in a summer campaign.

the Netherlands, Norway, and Belgium confronted; and Hitler, Mussolini, Franco, representatives of the Nazi satellite states of the Balkans and Finland with Japan pledged to join. Churchill and Roosevelt sent Stalin a message prepared by Harry Hopkins and Stafford Cripps saying they had consulted "together . . . how best . . . to help your country . . . against the Nazi attack." In addition, Roosevelt had agreed at Churchill's request to send a stiff warning to Japan.

Hitler's armies were still advancing in Russia and sustaining Mussolini's reeling armies in the Mediterranean area, when the press release subsequently known as the Atlantic Charter was issued. It associated the United States, a nominal neutral, with belligerent Britain in an effort to destroy Nazi tyranny, to disarm aggressor nations, and then to reduce world armaments. The charter was an obvious appeal to world and domestic public opinion; Roosevelt and Churchill disclaimed territorial gains, vetoed such changes without consent of inhabitants, guaranteed free passage of the seas and access to raw materials. These promises were broken in the same month when British and Red Forces, with no objection from Roosevelt, invaded Persia to gain direct communications between their countries.

In October, Harriman and Lord Beaverbrook were sent to Moscow to arrange for delivery of supplies from Great Britain and the United States. Churchill delayed the meeting to learn "where the Russian front would lie in the winter." Churchill dealt more charily with Stalin than did Roosevelt. Early in November he ignored a rude note from Stalin who, three weeks later, apologized. Roosevelt relied more upon soothing words and large contributions. Stalin, even when Nazi armies surrounded Moscow, treated Churchill and Roosevelt brusquely and failed to fulfill pledges.

Blunder No. 4: CHURCHILL'S DELAY OF ATTACK ON THE CONTINENT

Tactical discussions by American and British staff officers at Argentia revealed Churchill's determination that British troops should never become involved in "a war of vast armies firing immense masses of shells at each other." British Chiefs of Staff accordingly were preparing to invade France with "small forces, chiefly armored, that with their power of hard-hitting . . . would be able to quickly win a decisive victory." This was a faithful reflection of Churchill's views reached in July 1940, when he admitted that Britain had no continental army that could defeat the Nazis. He also assumed the blockade was broken, for Hitler could draw supplies from Asia and Africa.

Churchill concluded that the only way to bring Hitler down was by ". . . an absolutely, devastating, exterminating attack by very heavy bombers from England upon Germany . . ." He asked the Air Secretary, ". . . When can air mastery [over Germany] be obtained?" Three days later he complained to the Secretary that losses in the bomber command "seem unduly heavy" and directed that "the long-range bombing of Germany be conducted with a desire to save the machines and personnel as much as possible, while keeping up a steady attack." After another four days he asked the Secretary, "Why have we not been able to obtain better [bombing] results in the Kiel canal?" and demanded to know, "How many raids, how many bombs, what kinds of bombs, and [why] the canal still works?" Within the same week, Churchill ordered the air force to win the war alone with heavy bombers, next complained of losses trying to carry out his orders, and then sternly commanded that a steady attack be maintained on Germany and simultaneously that they build up the bomber force.

Churchill then turned to the army. On the same day he instructed them on how to emplace a 14″ gun, the kind of steel girder to use and the sand bags to provide protection, how it should be camouflaged, the number of rounds it should fire before being relined, and finally reminded the General that it would be necessary to remove the structure while relining the guns. Copies of Churchill's minutes to the land, sea, and air forces fill appendices of his volumes. They indicate a complete lack of confidence on the part of the Minister of Defense in his professional assistants. Yet he retained practically all of them during the war and at its end paid them deserved praise.

Churchill's respect for the Wehrmacht, verging on fear, was confirmed by the repulse of the British attack on Dieppe in August 1942 and continued until Eisenhower landed in Normandy. Obviously Great Britain in 1940 could not hope to invade Europe. She had difficulty in maintaining the sea and air forces that were essential for her own defense. Even after Russia and the United States had entered the war, Churchill was convinced they could not meet the Nazi armies; he extended his distrust of newly raised American troops to their aviators and urged Roosevelt to send bombing planes to England to be flown by the Royal Air Force. Churchill was at *his* best before a microphone, stimulating his indomitable countrymen who are at *their* best in adversity. The broadcasts of this undaunted spokesman of the British Commonwealth also had a profound effect on public opinion in the United States.

In October 1941, Lord Beaverbrook said the British Chiefs of Staff considered the European "continent to be out of bounds to British troops." Their opinion reflected exactly the views of Churchill. While timid about fighting in France, the Prime Minister was continually urging both the navy in the Mediterranean and the troops in North Africa to accept all risk. On a moment's notice Churchill could cite reasons for an expedition to Persia, to the Caucasus, to Burma, to Java, to Crete, to Murmansk; anywhere except to the principal theater to fight against Nazis who had to be defeated before eventual victory could be obtained. The total of the losses accepted in minor theaters might have brought victory sooner in western Europe.

On October 30 President Roosevelt cabled Stalin approving all the material promised by Harriman, adding that supplies worth one billion dollars would be provided by lend-lease; payments for additional supplies would not begin until five years after the war, no interest would be charged, and the Reds would have an additional ten years to complete payment.

Stalin had already directed General Zhukov to hold Moscow at all cost, when Hitler ordered that the city be taken and the Kremlin destroyed. In late November, General Bock, massing for the final attack, forced powerful spearheads eastward both north and south of the city. In the first week of December, Bock called upon commanders of the spearheads to complete the encirclement. The southern group crashed through; the northern group was repulsed by reserves, some of them brought from Siberia. Having committed all his reserves, Zhukov ordered a counterattack all along the line on December 6. Favored by heavy snow and subzero temperatures, Zhukov saved Moscow. Hitler, having prematurely announced the capture of the Red capital, held Brauchitsch responsible for the failure and took direct command of the field armies. Rundstedt resigned his command. Hitler ordered army commanders to hold their positions at all costs and soldiers to die rather than surrender. Thereafter, massive Nazi armies were directed by Hitler's inner consciousness and the numerically superior Red armies by Stalin whose military training was acquired during the Red Revolution and who was guided by advice of his generals. On December 6, General Zhukov launched the first great Red counterattack. The following day Japanese forces attacked British, Dutch, and American forces and possessions in the Pacific.

Blunder No. 5: MARSHALL'S MISTAKE AND THE FALL OF SINGAPORE

President Roosevelt, by branding December 7 a "day of infamy," turned initial mortification of most Americans with their armed forces into righteous indignation against Japan. Naval officers generally continued to writhe with shame that the Pacific Fleet had been completely surprised. They were relieved when they learned that Admiral E. J. King, Commander-in-Chief of the Atlantic Fleet, was summoned immediately to the Navy Department and their morale rose when shortly after Secretary Knox announced Admiral King's appointment as Commander-in-Chief of the U. S. Fleet and directly responsible to the President. They knew that the navy had at last been entrusted to the officer best fitted to command it.

On December 22, 1941, Churchill, accompanied by civil and military advisers, arrived in Washington for the Arcadia Conference, fearful that the disasters in the Pacific might cause the American High Command to divert forces from the Atlantic. However, Marshall and Stark had recommended, and Roosevelt had approved adherence to, Rainbow Five which gave priority to the Atlantic theater. This sound decision, and the most important military decision of the war, naturally pleased Churchill.

General Marshall followed it with a proposal to establish "unity of command" over the land, sea, and air forces of America, Britain, Holland, and Australia in the ABDA area under the euphonious title ABDA. To support this innovation Marshall cited the action of the Allies in 1918 when they gave Foch command of ground troops on the almost continuous land front of France and Italy. Marshall failed to consider the difference between directing only army troops in an almost unbroken line of trenches and controlling the operations of land, sea, and air forces, deployed from India to Australia, with three great archipelagoes—Philippine, Malaysia, and Bismarck—intervening. Churchill was surprised when he first heard Marshall's proposal, but Hopkins persuaded him not to reject it until he learned who would be given command, and he agreed when told that Wavell was to have the baton. To complete his catastrophic idea Marshall had recommended for the Supreme Command, Field Marshall Wavell, whom previously Churchill had gently pushed upstairs as Viceroy of India because he had considered Marshall's candidate a "tired, old man" unequal to commanding the British army in North Africa. British Staff Officers were astonished at the fantastic plan and unjustly suspected Marshall of seeking a scapegoat for the disaster they knew was imminent.

The ABDA [American, British, Dutch, Australian] forces would have been defeated in any event. Marshall's plan only hastened and increased the disaster. Wavell did not appreciate that Japanese control of the air over Malaysia rendered Singapore as well as Manila useless as operational bases. With traditional army courage he dispatched reinforcements in a vain attempt to hold Singapore. Troop-loaded transports and their escorting ships were attacked by planes as they approached the harbor, as they hastily disembarked doomed soldiers, and as they attempted, often in vain, to depart. Japanese aviators had an airman's holiday; for ABDA's ships, sailors, and soldiers, it was a holocaust. On February 14, Wavell was succeeded as Supreme Commander by the civilian Governor General Van Mook. Marshall's theory of unity of command was being carried to its logical conclusion. If an army officer can command land, sea, and air forces, why cannot a brilliant civilian like Van Mook? If professional training is unnecessary in two of the great military branches, why is it necessary for the third?

Van Mook's situation was more desperate than Wavell's. But his Naval Commander, Admiral C. E. L. Helfrich, who had succeeded Admiral Hart, was still convinced that Java could be held. The hopeless struggle continued until March 1. Rear Admiral Doorman, Royal Netherlands Navy, commanding ABDA naval forces in a last gallant effort, attacked the superior Japanese fleet on February 27. The remnants of his defeated force were finally ordered by Helfrich to escape if possible. The *USS Houston* under Captain A. H. Rooks, U. S. Navy, and *HMAS Perth* under the equally intrepid Captain H. M. L. Waller, RN, were the last cruisers sacrificed on Marshall's altar. They were sunk on the night of March 1st.

Admiral King participated in the Arcadia Conference and accepted Marshall's plan for that particular occasion; he disapproved of its general application. Unity of command was the product of the army generals who convinced themselves, President Roosevelt, and Harry Hopkins that, if Marshall Foch was able to command French, British, and American troops, any Flag officer can command land, sea, and air forces. King gained the impression that high ranking army officers for many years had been seeking to make the Chief of Staff of the Army the Supreme Commander of the Army and Navy.

General MacArthur commanded in the Philippines. He had decided he could hold the southern islands as well as Luzon with thirty-five bombers and his Filipino army. Marshall exempted MacArthur from Wavell's command. But on his recommendation, Admiral Hart with the remainder of his Asiatic Fleet was subordinated to Wavell.

Blunder No. 6: COMMAND SYSTEM BREAKS DOWN IN PHILIPPINES

The debacle in Luzon has already been described. A few decisions by President Roosevelt and Generals Marshall and MacArthur are cited to show that Marshall's doctrine of unity of command is not applicable even to widely deployed armies if separated by long stretches of the ocean. On February 8, as Singapore was breathing its last, President Quezon proposed that the United States grant immediate independence to the Philippines; they would be neutralized; American and Japanese forces would be withdrawn; the Filipino army disbanded. With Quezon's proposal MacArthur sent to the President his own estimate of the situation, stating that his divisions had been reduced to regiments; his regiments to battalions; the men were "battle worn and needed rest." Warning that his command might be completely destroyed at any time, he added that the Filipinos, whose stamina he previously had greatly over-estimated, violently resented the situation and he suggested to the President that Quezon's plan might be "the best possible solution of what is about to be a disastrous debacle." As MacArthur was only continuing the fight to gain time, he pointed out to Roosevelt and Marshall that the Quezon plan would "secure at least equal delay" as resistance by the army.*

The President replied authorizing MacArthur to surrender Filipino soldiers but forbidding the surrender of American troops, "so long as there remains any possibility of resistance," and closed by requesting the General "to make your resistance as effective as circumstance will permit and as prolonged as humanly possible." On February 22, the President ordered MacArthur to Mindanao to stiffen the defenses there and then proceed to Australia where, like Wavell, he was to be given Supreme Command of land, sea, and air forces in another huge oceanic area where air and sea forces would decide the outcome. At MacArthur's request the President left the time of his departure and details of method including

*U. S. Joint Committee on the Investigation of the Attack on Pearl Harbor, Government Printing Office, Chapter V, pp. 77-97.

command arrangements to the General. On March 12, MacArthur and his party left Manila, spent a day in Mindanao and arrived in Darwin, Australia, on March 17.

Until his departure MacArthur had done much to maintain morale by optimistic references in his Orders to prospective reinforcements. On leaving he emphasized that he was only going to expedite relief personally. Theoretically he was still in command of the Philippines, so he left a member of his staff at Corregidor to control the distribution of supplies and ammunition. He gave command of the field armies and Corregidor to General Wainwright with the President's order not to surrender. Wainwright passed this order along to General King, commanding forces in Luzon, and to General Sharp commanding those in Mindanao. The attempt of MacArthur to command the forces in the Philippines from Australia created so much confusion that Marshall was obliged to obtain the President's approval to give the command in the Philippines to Wainwright who, besieged in Corregidor, theoretically still commanded field armies in Luzon and Mindanao.

As General King's forces were driven back in the Bataan Peninsula, Wainwright in accordance with Roosevelt's order refused to permit him to surrender. King, when his forces were cut into small groups and all his field hospitals under enemy field artillery fire that could not be returned, disobeyed the order to prevent further useless slaughter of his helpless men. Later Wainwright underwent a more humiliating experience. MacArthur had ordered him to destroy the guns of Corregidor and blow up the ammunition if compelled to yield, so the guns could not be used to prevent MacArthur's return. The night before he offered to surrender, Wainwright disabled the heavy guns, broke the rifles and exploded the ammunition. The next day General Homma refused to accept the surrender of Corregidor unless Wainwright included the United States armies in the Philippines. Technically Homma was correct, for Wainwright had signed his correspondence as Commander, U. S. Army Forces in the Philippines. Having executed MacArthur's orders to destroy the fortress guns of Corregidor, Wainwright was literally helpless. Also, MacArthur had permitted many women and children to take refuge in Corregidor, who would be killed along with combatants if he attempted to resist. Wainwright, thanks to the army system of extending commands over vast areas, felt obliged to comply with Homma's demand to include the surrender of Sharp's forces in the other islands although they were fully armed, well organized, and had been trained to carry on guerrilla war. American forces in the Philippines were compelled to suffer every humiliation known to brave men, and largely as a result of orders of the High Command in Washington, compounded by MacArthur in his dual capacity as Field Marshal of the Filipino Army and Commander of the American Armed Forces in the Far East.

An Anglo-American Joint Committee set up during the Arcadia Conference developed into the Anglo-American Combined Chiefs of Staff that sat in Washington during the war. General Marshall, General Arnold, and Admiral Stark were the original American members, Admiral King participated in discussions after he became Commander-in-Chief of the U.S. Fleet on December 18; on December 30, King was relieved of command of Atlantic Fleet by Admiral R. E. Ingersoll. Admiral King's first official order to Admiral Nimitz, who had relieved Admiral Kimmel, was to hold the Hawaii-Midway line and its communications with the Pacific Coast and thus to maintain communications with Australia; and the Fiji Islands were to be occupied at the earliest possible date. On March 26, King relieved Stark as Chief of Naval Operations and thereafter filled both offices with Admiral F. J. Horne as Vice-Chief of Naval Operations. King then became the sole naval representative on the Joint Chiefs of Staff and Combined Chiefs of Staff until the President in July appointed Admiral W. D. Leahy as Chief of Staff of the Commander-in-Chief of the Army and Navy.

Leahy considered his "job to pass on to the Joint Chiefs of Staff the basic thinking of the President on all war plans and strategy." In turn he brought back to the President from the Joint Chiefs "a consensus of their thinking." The U.S. Joint Chiefs gradually took over the former duties of the Joint Army-Navy Board and represented the President on the Combined Chiefs of Staff. The British members of the Combined Chiefs of Staff in 1942 were Lt. General G. N. McReady who represented Churchill as Minister of Defense, Admiral Sir Andrew Cunningham representing the First Sea Lord, Air Marshal D. C. S. Evill representing the Air Chief Marshal, Field Marshal Sir John Dill representing the Chief of the Army General Staff. During the war only a few changes were made in the British personnel and none in the American. British and American members frequently disagreed on strategic decisions and then the problem was referred to the Prime Minister and President for final settlement. American members sometimes disagreed among themselves; usually the President would return the question and direct them to try again to reach a unanimous decision. They usually did. By common consent even when individual members disagreed they signed the joint report. Some important disagreements will be related. Speaking generally, the Combined Chiefs of Staff functioned efficiently and provided the necessary military mechanism to coordinate and command land, sea, and air forces of two Great Powers. A common language and, in most cases, a common acceptance of fundamental concepts of waging war facilitated their planning.

When Admiral King became Commander-in-Chief and Chief of Naval Operations, U-boats were sinking tankers in sight of Atlantic coastal cities, they were combining with Nazis planes to take heavy toll of convoys steaming toward Murmansk, and on May 6, 1942, Wainwright was compelled to surrender the Philippines. Two naval victories occurred in the next thirty days—the first, at Coral Sea, blunted the enemy thrust toward Australia; the second, off Midway Island, dealt a vital blow to Japanese carriers and, more important, destroyed the first team of Japanese carrier pilots. Then Admiral King justified the faith of his brother officers. Realizing that the victory at Midway put the enemy fleet off balance, he determined to keep it off balance. He insisted that Ghormley and Vandergrift seize Guadalcanal early in August although they reported, and he knew, that they had not completed their preparations; nor had the Japanese. King's determination brought on a succession of land, sea, and air battles in the Solomon Islands where the enemy was fighting as far from his base as were Americans. King's insistence on maintaining unremitting pressure on the enemy kept them off balance.

King's determination involved heavy losses, for many new ships had barely completed shake-down cruises before going into action. Officers and men had much to learn about night fighting and were taught by the Japanese the hard way. At one time only one American carrier was fit for combat in the Pacific. King sent all ships he could get to Admiral Halsey, Admiral Ghormley's successor; Halsey kept them fighting. Today around Savo Island the hulls of many ships entomb many brave sailors who supported the marines while they enlarged their beachhead and held Guadalcanal. The line of communication to Australasia was unbroken.

Blunder No. 7: "SECOND FRONT" DELAYS

The military decisions made in Washington in January 1942 that affected Russia were: to increase all possible material aid to the Red armies; to intensify the naval blockade and assist underground troops in Nazi-occupied countries. It was not considered feasible to land an expeditionary force in France

during 1942, but a diversionary landing would be made if the Reds were sorely pressed; any evidence of a Nazi collapse would be exploited; and if invited by the Vichy Government an Anglo-American Force would be landed in Africa. None of these contingencies arose, but troops held in the United Kingdom for these undertakings prove Anglo-American good faith.

On January 22, 1942, a week after Churchill had left Washington predicting British victory in North Africa, Rommel launched a successful offensive against the British 8th Army. On March 15, 1942, Stalin's winter offensive was halted by the Nazis, leaving them free to prepare the summer campaign and causing the President great anxiety about the Russian front. On April 4, he sent Hopkins and Marshall to London to propose an invasion of the continent, and a few days later asked Stalin to send "Molotov and a General on whom you can rely to Washington" to advise upon "the strategic course of our common military action."

At the President's request Stalin sent Molotov to Washington, where Roosevelt assured him that the defeat of Germany was the first objective. Molotov emphasized the advantages of opening a second front in 1942, because if an Anglo-American invasion were made soon, it might draw forty German divisions from the Russian front and thus might end the war in 1942.

Before Molotov left, Marshall told him that "we are preparing for a second front," and the President confirmed Marshall's statement. Molotov had pressed the Kremlin's view vigorously but, when leaving, he pledged the Red armies to do their best, warning his listeners to reckon fully with the danger of a Russian defeat.

Before Molotov left, Churchill with military and naval staff was again in Washington. The military situation went from bad to worse. The Nazi armies were besieging Sevastopol and menacing the Caucasus; in North Africa, Rommel was driving the British eastward. In the Atlantic, U-boats still were operating in the coastal waters of the United States and, assisted by German planes operating from northern Norway, were taking heavy toll of lend-lease ships bound for Murmansk. For example, of eighty-four ships with over one-half million tons of stores that left United States ports, forty-four with 300,000 tons got through; twenty-three ships were lost; seventeen were compelled to discharge cargo in Scotland.

On June 21, 1942, Rommel took Tobruk with 25,000 prisoners, after destroying the British Armored Forces. This disaster caused Churchill and Roosevelt to lay aside long-range plans. Tanks, planes, and motor vehicles were rushed around South Africa to Cairo to re-equip the 8th Army, under its new commander General Montgomery. Stalin loyally agreed to Roosevelt's proposal to divert forty light bombers from the Red to the British army, although the Germans were opening their summer offensive.

After the escape of the Scharnhorst and Gneisenau from Brest and the fall of Singapore, the Prime Minister demanded and was given a vote of confidence in the House of Commons because he had involved the United States in the war. Churchill admitted many military mistakes but claimed credit for realizing from the beginning that it was necessary to get the United States to enter the war and that he had persistently followed a policy that achieved his objective. Never before had a head of government so frankly boasted that he had lured another nation into war.

The shock of the British defeat in Cyrenaica and the determination of the President and Chief of Staff to give American troops battle experience in 1942 renewed the discussion of a possible Anglo-American landing in Northwest Africa; it was finally approved in July after Hopkins, Marshall, and Admiral King had conferred with Churchill in London.

As Churchill had violently opposed any landing in Europe in 1942, the President suggested that he and Harriman go to Moscow to explain why the landing could not be made. At the first meeting Stalin was surly and rude but softened at the second and gave them a banquet. After the banquet he and Churchill discussed until daylight ways to win the war. Stalin had some reason for being irritable; the Nazis were advancing in the Caucasus and toward the Volga. He was obliged to recall more Siberian troops to Europe, and they were only able to halt the invasion in October. But the oil fields in Baku were saved and the road to the Persian Gulf denied the Germans.

By the middle of August 1942, operations in Russia were dominated by the struggle for Stalingrad. Two Nazi armies, under General Bock's direction, were across the Don ready to converge in three great columns on Stalingrad some forty miles distant. In 1812 Marshal Kutusov burned Moscow to deny shelter to Napoleon. Stalin in 1942 used Stalingrad to trap Nazi armies. He ordered General Chuikov to hold the city and General Zhukov to surround the besiegers. On November 23, the German 6th Army was encircled. General Paulus, its commander, was not unduly alarmed; he organized the conventional hedgehog defense, received supplies by air and waited to be relieved. But the army sent to his relief was decisively defeated. Hitler ordered Paulus not to surrender and, by exhausting the air force in a fruitless effort to supply the army, dealt it a vital injury. Nazi ground troops were ground to pieces between Chuikov's army inside and Rokossovsky's outside Stalingrad. Paulus was captured February 2, 1943, with more than 200,000 troops, 6,700 guns, and 1,500 tanks.

By March 1943, Red armies had retaken Rzhev, Velikiye Luki, and Vyazma. Under Stalin's directives, the Red military chieftains had secured jumping off places for their first summer offensive. Outstanding was Zhukov, defender of Moscow, savior of Stalingrad, and future conqueror of Berlin. Others included Timoshenko, Chuikov, Rokossovsky, and Vorenov. In the summer of 1943, Stalin could take pride in his generals; he had selected them, fired the incompetent and promoted the competent. Simultaneously he redisciplined the men by subordinating political commissars to military officers. In November 1942, the Kremlin announced through Pravda that "the soldier has no socialistic obligations whatever, his job was simply to serve the fatherland as his forebears had done." Red army regulations were remodeled after those of Peter the Great. Guard regiments and divisions were created with names reminiscent of Imperial Russia. The military orders of the great Czarist generals, Suvorov and Kutusov, were revived. The Cossack formations once despised as symbols of oppression were reinstituted.

During the last three months of 1942, Anglo-American forces also had been successful. In October, General Montgomery began his advance from El Alamein; in November, Anglo-American armies under General Eisenhower landed in North Africa. Admiral King was steadily clearing Atlantic coastal waters of U-boats; Halsey and Vandergrift were forcing the Japanese out of Guadalcanal; and MacArthur was strengthening his grip on New Guinea.

Blunder No. 8: WITHHOLDING U. S. FORCES FROM THE PACIFIC

In January 1943, in conference at Casablanca, the President and Prime Minister agreed upon the following military objectives for the calendar year: first, control of the sea without which neither ground nor air troops could be transported overseas; second, assistance to Russia, qualified by the phrase "in relation to other commitments," which reduced its importance; third, the assault on Sicily, tentatively set for July; fourth, American forces in the United Kingdom would be increased, with a view to operations against the Channel

Islands and a landing on the Cotentin Peninsula on August 1; in the Pacific operations were planned from Midway Islands toward Truk and Guam and to reconquer Burma.

At this conference the President demanded the "unconditional surrender" of enemy states as the price of peace. Roosevelt subsequently insisted on fulfilling the formula and Churchill loyally agreed. On its conclusion, messages were cabled to Chiang and Stalin. The latter replied, "It is my understanding that . . . you have set yourselves the task of crushing Germany by opening a second front in Europe *in 1943*" (italics supplied) and requested further information of the proposed operations and their schedule. He added that the Red armies will do their utmost to maintain the campaign against Germany but "our troops are now tired . . . and will be unable to continue the offensive beyond the middle of February."

In mid-February 1943, just as the Red army offensive ground to a very successful close, United States troops in Tunisia were defeated at Faïd and Kasserine Pass and yielded some hard-won terrain. Hitler was reinforcing the Germans in Tunisia, and the Nazis recaptured Kharkov in the Ukraine. Stalin asked Churchill and Roosevelt embarrassing questions. The President again assured the Red Prime Minister that the American forces would be sent to Europe as soon as possible "to reduce the Axis forces opposing your heroic army." On March 8, Admiral Standley informed American correspondents in Moscow that while Russia was getting large quantities of American supplies, the Kremlin was telling Russians that they were fighting the war unassisted. In White House circles Standley's statement was considered in bad taste; he was summoned to Washington for consultation. Yet at that very time in London, Maisky, the Russian Ambassador, was complaining to American correspondents of the inadequacy of our aid. From London, Harriman reported that many of his friends, British and American, felt that Standley's action was well taken. They were convinced that there would be trouble in the future if Americans allowed themselves to be kicked around by Russians.

In the spring of 1943 when it was evident that the invasion of Europe could not be undertaken until 1944, the U.S. Chiefs of Staff suggested the over-all strategy should be changed from "To defeat Germany first and then Japan" to: to bring the war to a successful conclusion at the earliest date practicable by concentrating "first on Germany and then Japan." Admiral King insisted that some of the air forces assigned to Europe on the assumption of its invasion in 1943, now postponed, be sent to the hard-pressed American forces in the Pacific. The British, until their hold on the Indian Ocean was threatened, had urged that "no U.S. forces should be sent to the Pacific" above a bare minimum to hold the positions then occupied. Admiral King insisted that enough forces be provided to "maintain unremitting pressure against the Japanese." King's view eventually prevailed in spite of determined efforts of the British Staff, spurred by Churchill to extend operations in the Mediterranean and postpone the cross-channel invasion. This difference of opinion prevailed throughout the war.

On May 11, 1943, the day before von Arnim surrendered in Tunisia, Churchill, accompanied by 100 advisers, arrived in Washington. During a two-week conference Anglo-American leaders decided that during 1943 they would increase the air-bombardment of Germany, invade Italy, occupy the Azores, destroy the Ploesti oil wells in Rumania, and prepare for a cross-channel invasion *in May 1944*. In the Pacific area they proposed to expel the Japanese from the Aleutian, Marshall, Caroline, and Solomon islands and the Bismarck Archipelago, while carrier task forces and submarines operated against enemy sea communications.

The operations of Admiral Nimitz and General MacArthur had been subordinated to those in the Atlantic in order to insure the safety of the British Isles and assist the Red army. They could have begun their offensive earlier if they had been given the additional ships, planes, tanks, and ground troops that were being sent to Europe. American military chiefs had disagreed with the British estimate of the comparative importance of the Near East and Far East before our entry into the war but had been compelled to yield to Churchill.

Blunder No. 9: OVERESTIMATING RUSSIA'S MILITARY IMPORTANCE

Roosevelt, disturbed by the growing rift with Stalin, arranged a personal conference alone with the Red Prime Minister, hoping he could settle many troublesome problems. Churchill resented the President's action, although he and Stalin had met together without Roosevelt. When Stalin received the report of the Anglo-American plans for 1943 he was incensed at the delay of the cross-channel invasion until 1944, and questioned the good faith of the western Allies in a despatch to Churchill, who sent a stinging reply. Whereupon Stalin recalled Soviet Ambassadors from London and Washington and canceled his meeting with Roosevelt.

The breach between Russia and the Anglo-Americans widened when an Italian general brought informal offers of surrender of Italy. Stalin was immediately informed of the proposals but could not rid his mind of suspicion that the western powers were ready to make a separate peace with Germany.

Stalin had no reason for suspicion but some reason for irritation. While the situation of the Red armies was better in the early summer of 1943 than in the autumn of 1941, they had only retaken territory lost in the summer of 1942, and not a British or American soldier had been landed in Europe. There was a fundamental cause for Stalin's suspicion and the eventual breach between Russia and the western powers. The Anglo-American-Russian agreements were based solely on their fears of the Nazis; as the Wehrmacht weakened so did this unnatural alliance.

When the Prime Minister and President with a caravan of advisers met in Quebec in mid-summer 1943 the long battle against the U-boats in the Atlantic had been won; American shipyards were launching an unprecedented tonnage. Italy had surrendered. Portugal had agreed to lend bases in the Azores. Beginning in July the Red armies in a succession of victories over the Nazis had liberated an area 700 miles long and in many places 180 miles deep. Red armies were still more numerous than the German; but even more important, their High Command had greatly improved and was capable of directing mechanized and motorized armies, and equaled if not excelled the Nazis in the employment of massed artillery. The Axis Powers were visibly weakening. Hitler had loyally assisted Mussolini in his vain effort to hold Italian North Africa by sending him Rommel with Panzer Divisions and Stuka Bombers. After Mussolini was displaced by a palace coup d'état in July 1943, Hitler rescued him from capture and established a shadow Fascist Government in North Italy. Anglo-American sea power prevented any military cooperation between Berlin and Tokyo. Some strategic material was exchanged by U-boats and armed merchantmen but the effort was too costly; Japan and Germany exchanged information but fought separate wars.

In June 1941 aid was rushed to Russia on account of her weakness just to keep her in the war. Manifestly that argument had no validity in August 1943. Hopkins and ranking officers in the army were ready with another argument taken "from a very high level United States military strategic estimate." This document was being passed around by Hopkins

at Quebec when word was received from Moscow that Stalin had agreed to a meeting of American, British, and Russian Foreign Ministers in Moscow in October. According to Sherwood, this news was greeted enthusiastically "for it meant the *beginning* (italics supplied) of the long-desired collaboration between the Big Three." Sherwood's comment proves that for almost two years of war there had been no collaboration. This implication was overlooked in the hopes raised when Stalin kindly permitted Hull and Eden to come to Moscow. In the happy atmosphere thus created, Hopkins passed around among the delegates the memorandum extracted from a high-level army estimate of the strategic situation.

Sherwood says this document was of great importance for it shaped the policy which guided American delegates making decisions at Teheran and Yalta. As these decisions had a profound effect on the course of the war and postwar conditions, the document is quoted in full:

RUSSIA'S POSITION IN EUROPE

"Russia's postwar position in Europe will be a dominant one. With Germany crushed, there is no power in Europe to oppose her tremendous military forces. It is true that Great Britain is building up a position in the Mediterranean vis-à-vis Russia that she may find useful in balancing power in Europe. However, even here she may not be able to oppose Russia unless she is otherwise supported.

"The conclusions from the foregoing are obvious. Since Russia is the decisive factor in the war, she must be given every assistance and every effort must be made to obtain her friendship. Likewise, since without question she will dominate Europe on the the defeat of the Axis, it is even more essential to develop and maintain the most friendly relations with Russia.

"Finally, the most important factor the United States has to consider in relation to Russia is the prosecution of the war in the Pacific. With Russia as an ally in the war against Japan, the war can be terminated in less time and at less expense in life and resources than if the reverse were the case. Should the war in the Pacific have to be carried on with an unfriendly or a negative attitude on the part of Russia, the difficulties will be immeasurably increased and operations might become abortive."

General Marshall was present at this conference, where he was considered to be the prospective Commander of Overlord. He was on intimate terms with Hopkins; he must have been aware of the document and, if it did not represent the views of the War Department, he could have disavowed it. Apparently he said nothing, because Stettinius later corroborated Sherwood's assertion that the document foreshadowed the policy that guided American representatives at Teheran and Yalta.

The document was essentially defeatist. Experts in the War Department in July 1941 had predicted the collapse of Russia within six weeks; two years later they went to the other extreme and could only visualize Red armies astride a prostrate Asia and Europe. British authorities agreed. From South Africa, General Smuts warned Churchill in September 1943 that "in the postwar world Russia will be 'diplomatic master' of the world." Churchill replied in two days agreeing "that Russia will be the greatest land power in the world" after the war "which will have rid her" of Germany and Japan, the military powers who "had previously defeated her." The Prime Minister hoped that fraternal association of Great Britain and the United States together with sea and air power "may put us on good terms, and in a friendly balance with Russia at least for the period of rebuilding." This letter shows that Churchill agreed with Hopkins' memorandum.

Influential army officers in Australia and Washington were convinced that the Japanese could only be defeated by first invading Japan and then destroying her armies in China and Manchuria. The failure of the army High Command in the Pentagon and General MacArthur to appreciate the vulnerability of Japan, an insular empire dependent upon supplies from overseas, added support to this almost unbelievable policy of appeasing Russia.

Many naval officers in Washington did not agree with Hopkins' document. Most of them were convinced that Russia needed the support of the United Nations more than they (the United Nations) needed that of Russia. The navy thought we had heard too much of Red contribution to victory and too little of the Anglo-American. They feared that if the Anglo-American representatives continued to extol Russia's effort and apologize for their own, Stalin would demand more and more concessions.

They proposed to tell the Kremlin that we would not attempt to impose on them but would not be stupid enough to let Russia impose upon us. At that time the Russians had reached the line of the Dnieper; when they reached the Dniester or raised the siege of Leningrad, many naval officers were convinced that if, at that time, Russia did not declare war on Japan the United States should divert all supplies going to Russia to west Europe or the Pacific.

Blunder No. 10: MARSHALL'S ERROR IN "UNITY OF COMMAND" DOCTRINE

Military decisions at Quebec in 1943 included reaffirmation of May 1, 1944, as the target date for the landing in Normandy with an American, presumably General Marshall, as Supreme Commander; the establishment of the Southwest Asia Command under Lord Mountbatten as Supreme Allied Commander with General Stilwell as Deputy SAC. Among the top-heavy, complicated organizations that mushroomed under Marshall's sponsorship was that of General Stilwell, who was commanding the American troops in China, Chief of Staff for Chiang Kai-shek and deputy to Admiral Lord Louis Mountbatten who was Supreme Allied Commander. Marshall was never content until he had obtained the appointment of a Supreme Commander over land, sea, and air forces and he usually recommended a general for the post.

This is a convenient point to summarize Marshall's extension of the doctrine of unity of command until this military absurdity exploded. When General Eisenhower was given command of the Anglo-American forces in North Africa, Roosevelt and Churchill agreed that a British officer would command the invasion forces landing in France. As the operation was postponed the numbers of American troops available to participate increased until they exceeded the British shortly after landing. At Quebec Churchill generously suggested to the President that an American be chosen as supreme commander; Roosevelt agreed and Churchill assumed, as did most others, that it would be Marshall. Roosevelt did not commit himself.

Sometime later the U. S. Joint Chiefs of Staff sought to extend Marshall's unity of command doctrine so that the Supreme Commander of the landing in Normandy (the operation known as "Overlord") should also command the Mediterranean. It was Churchill's understanding that Roosevelt desired Marshall to command both theaters. On November 8, 1943, he cabled Field Marshal Dill to tell Leahy that he would not consent. Leahy replied that that would end the matter. According to Churchill, at Cairo on November 25 the American Chiefs of Staff still felt strongly that a Supreme Commander should be appointed to command all the United Nations operations *against Germany* from the Atlantic and Mediterranean. This would include all air and naval opera-

tions; both Churchill and the British Joint Chiefs of Staff gave excellent reasons for opposing such a plan.

Churchill pointed out that the Supreme Commander, British or American, would have to work under general directives prescribed by the Combined Chiefs of Staff and under political conditions fixed by the heads of government. He would be responsible for announcing decisions and then risk being disavowed. Churchill questioned "whether any single officer exists who would be capable of giving decisions over the vast range of problems now being dealt with by the British and American Governments assisted by the Combined Chiefs of Staff." This last observation alone should have terminated Marshall's endless arrangements for extensions of command.

As Marshall claimed he was animated by military reasons, it is well to add the objection offered by British Joint Chiefs of Staff, all highly competent military officers, with more experience as field commanders than Marshall. They reminded Marshall that his argument was based on his slender experience in war on the staff of General Pershing on the western front; then they stated "that there is no real analogy between the position of Marshal Foch and the position now contemplated for the Supreme Commander against Germany . . . Foch was only responsible for the western front and the Italian front. His authority did not extend to Saloniki, Palestine or Mesopotamia [or to the Allied fleets. W.D.P.]. Under the arrangement contemplated [by Marshall] the Supreme Commander will have . . . Overlord . . . the Italian Front . . . the Balkan Front . . . and the Turkish Front if it is opened." They then added "There must be some limit to the responsibilities which Allied Governments can delegate to a single soldier. . . ."*

Most who know Marshall agree that he is a modest gentleman. At the time the Joint Chiefs of Staff under his prodding made this recommendation, he was assumed to be the prospective Supreme Commander. In all probability his suggestion was not inspired by personal vanity or vaulting ambition, but was due to his unlimited confidence in the General Staff system. He was convinced that any outstanding general who could command ground troops could, with equal competence, command air and sea forces if he had representatives of these branches on his staff. Marshall had never commanded in the field in war; he had never experienced the difficulty a commanding general has in reaching decisions involving technical questions of which he has had no personal experience. So he blithely added sea and air problems, for he was honestly convinced that with a proper staff a competent general could command anything and everything. Like Archimedes, he felt he could move the world with a general as a fulcrum and a general staff as a lever if he could find a place for the fulcrum, and a long enough lever.

Churchill had accepted Marshall's suggestion in 1942 when he made Wavell Supreme Commander, but mainly to please Hopkins. At Cairo, in November 1943, Churchill still had hopes of diverting troops, planes, and landing craft from the Normandy invasion to the eastern Mediterranean and the Prime Minister had no intention of yielding to Marshall who opposed such diversion. Be it said for the British Joint Staff that they objected both in Washington and in Cairo. Afterward Churchill attributed Roosevelt's final choice of Eisenhower instead of Marshall for the command to the President's feeling that command of the invasion of France alone was not important enough to justify Marshall's departure from Washington.

Certainly the President had the highest regard for Marshall; to console him for not getting a field command, he told Marshall, "I could not sleep at night with you out of the country." Marshall undoubtedly had looked forward to leading in battle the army he had done so much to recruit and train for the relief of Europe from Hitler's domination. But he was loyal to the President; he would not say which position he preferred and insisted that the President make the decision and refused "to . . . estimate his own capabilities." Admiral King openly opposed Marshall's transfer from the Joint Chiefs of Staff, advising the President "not to break up a winning team."

King himself had been urged by some of his friends to take personal command of the United States fleet in the Pacific for he was the only naval officer whose rank and prestige compared with MacArthur's and that, therefore, only he could get proper consideration for naval factors in the Pacific. They also reminded him that his own future reputation as an Admiral demanded that he show his capacity to command a fleet in battle. He resisted both arguments saying that he had carefully considered the question and had decided his presence in Washington was more essential to victory than to command the United States fleet at sea. There was no question that King was needed in Washington, but he was badly needed in the Pacific to restrain MacArthur. It would have been well for the nation if the navy had had at its disposal two Admiral Kings.

Many naval officers completely disagreed with Marshall's idea of unity of command when it involved land, sea, and air forces engaged in overseas amphibious landings. They were convinced that command of mixed forces should pass back and forth, always keeping officers of "paramount capability" and experience in command at each stage of operations, admirals at sea, and generals of the army or marines ashore. There was no permanent "unity of command" in the Pacific; neither by the Japanese in their very successful offensives in the first six months of the war or in the subsequent American victories that regained control of the Pacific. In neither Japanese nor American joint operations did an admiral exercise command of soldiers ashore or a general of sailors afloat.

MacArthur was in operational command of the Southwest Pacific and Nimitz in operational command of the Central Pacific. An admiral commanded an amphibious force while the troops were embarked, during the landing, and until they were firmly established in their immediate and principal objectives along the shore. When the commander of the ground troops, a general of the army or marines, believed he could maintain his position, he took command ashore, and the admiral continued to be responsible for supplying the forces. For example, in the landing in Normandy a British admiral was in tactical command of the ships, a British air marshal of the planes, and, until General Eisenhower moved his headquarters in Normandy and took command of all the armies, General Montgomery was in tactical command of the ground troops. After General Eisenhower was securely established ashore, the Anglo-American fleets became responsible to the admiralty and to the American admiral in London for maintaining the sea communications of the armies ashore. Similarly in the invasion of Leyte, Admiral Kinkaid, not General MacArthur, was in command en route from the Bismarck Archipelago to Leyte of the amphibious movement and landing; of amphibious operations; and his command continued until the ground and air troops were established ashore.

No American landing was repulsed either in the Atlantic or Pacific. If one had been the command would have passed back to the admiral, who would have become responsible for re-embarking and evacuating the soldiers and escorting them safely to their base. Catch phrases and loose military terminology have left an erroneous impression on Americans of

*_Closing the Ring_, by Sir Winston Churchill, Chapter 17, pp. 301-341.

amphibious operations. Of all catch phrases, "unity of command" has propagated the most dangerous ideas. It has led Americans to believe that their sons (and now also daughters) can safely be submitted to the orders of officers who are not technically qualified to estimate the situation and to reach sound military decisions.

The establishment of the Department of National Defense is the natural climax of this doctrinaire idea; and Marshall, the chief proponent of unity of command, was its indefatigable advocate. Forrestal, one of the ablest Secretaries of the Navy, has recorded in his diary that it required him two and one-half years to acquire a fractional knowledge of the Navy Department. By using misleading army slogans and by gagging naval officers, Congress was beguiled into arbitrarily merging three huge services and then expecting a President every three or four years to find a civilian who at most could be partly acquainted with one branch, direct this triphibious behemoth. A fly going around on a wagon wheel has as much control of the wagon as the ablest Secretary of Defense can ever have over the huge Department of Defense. Presidents or Chairmen of the Boards of Directors of our huge corporations usually have grown up with their organization from early manhood. Only by a ruthless policy of selection do they reach the top. Then they are surrounded by trained assistants, who have risen to the next lower echelon. They can decide from experience whether the advice they get from subordinates is sound. Under the former organization of the armed forces, in three departments a civilian Secretary was surrounded by officers fully acquainted with their own branch. Even then Forrestal found the task difficult and was frank and modest enough to say so. It is no reflection on the extremely capable heads of our vast and usually efficiently run corporations to say that it is as absurd to expect one of them to direct efficiently and economically the Department of Defense as it would be to expect a successful combat general, admiral or air marshal to direct the operations of Standard Oil of New Jersey or General Motors Corporation.

Blunder No. 11: APPEASING STALIN

Once in 1942, twice in 1943, Stalin declined to participate in personal conferences with Roosevelt and Churchill. Finally Secretary Hull persuaded him to attend the Teheran Conference in November 1943. En route Churchill and Roosevelt conferred with Chiang Kai-shek at Cairo, but even at that late date the cautious Stalin refused to parley with Chiang for fear of offending Japan. On November 28, 1943, Stalin and the President met for the first time; for forty-five minutes they discussed military operations in Russia, the situation in France and the Far East, and British problems in India. After warning Stalin against discussing India with Churchill, the President told him that reform in India would have to start at the bottom; Stalin predicted that such procedure would lead to revolution.

At the suggestion of his colleagues, Roosevelt presided over their plenary sessions. Feeling that Stalin did not appreciate the American effort in the Pacific, Roosevelt first reviewed naval operations in that ocean after Pearl Harbor and gave a preview of Anglo-American plans to open the Burma Road and to continue aid to Chiang. Next he emphasized that together with Churchill he had been planning a second front in Europe and that the invasion of Normandy had been set for May 1944.

Stalin explained that Red forces in Siberia were only sufficient for defense but promised that after the defeat of the Germans they would be reinforced and then he would declare war on Japan. Churchill reverted to his plan for drawing Turkey into the war; his success in getting the United States in the war spurred him on, but Turkey was too wary. Roosevelt mentioned the possibility of assisting Tito's partisans in Yugoslavia. Stalin urged them to use all available forces in the Normandy invasion and to land an auxiliary army in south France as soon as Rome was captured.

Stalin had a clearer understanding of the strategic factors than either of his colleagues. He doubted Roosevelt's observation that Hitler was mentally unbalanced, asserting that only a very able leader could have solidified the German people. Obviously Stalin considered that Hitler's only irretrievable blunder was the invasion of Russia. In the conversation after dinner Stalin agreed with Roosevelt that free navigation through the approaches to the Baltic Sea were desirable but questioned the doctrine of "unconditional surrender" because it would delay German capitulation.

On November 29, Stalin and Roosevelt had another forty-five-minute conversation. They discussed terms for Russian assistance against the Japanese, the use of Russian bases for American planes, and finally reached the subject most important to the President, the establishment of the United Nations.

For his pledge to support the United Nations, Stalin was assured of an invasion of France that gave his armies a freer hand in the Balkans, of an increased American effort in the Pacific that insured the defeat of Japan, of the disarmament of both Germany and Japan, and the dismemberment of Germany which, by relieving Russia of two strong neighbors, assured her predominance in Europe during the postwar era.

All of these benefits were showered on Russia by Roosevelt to gain his consent to the formation of the United Nations. As a bonus Churchill and Roosevelt on November 30 added the port of Dairen in Manchuria. Stalin accepted and later obtained the signatures of his colleagues to the bargain. In the final plenary session Stalin was given one third of the Italian fleet and a vague agreement on the frontiers of Poland, but views of the Big Three on German dismemberment could not be reconciled.

Blunder No. 12: MISTAKES IN THE BALKANS

Fourteen months elapsed between the conference at Teheran and the one at Yalta in February 1945. During this time allied victories in Europe liberated countries previously occupied by Nazis creating new and difficult problems among the Allies just as the increasing prospect of victory continued to loosen the only bond holding them together. During this same period the presidential nomination and election and the effort to found the United Nations required much of the President's attention. After the Republicans nominated Governor Dewey, according to Sherwood,* Roosevelt "had to conduct a vigorous campaign" for the fourth term and he felt "it to his political disadvantage" to meet Stalin in Russia. Stalin refused to leave Russia, and the conference was postponed until after the election. The President, realizing that Harry Hopkins was a political liability, kept him under cover during the campaign; but after July 4, Hopkins was convalescing in his Georgetown home in easy reach when needed, and in close touch with intimate friends in the departments, bureaus, commissions, and agencies who had important roles in directing the war.

By June, MacArthur and Halsey had isolated Japanese forces in the Bismarck and Solomon Islands. Eisenhower launched the cross-channel invasion of Normandy; Spruance landed General Smith in the Marianas. Stalin made good his pledge to synchronize his summer offensive. On June 27 Cherbourg surrendered. The rapid advance of Anglo-American

*Roosevelt and Hopkins, by Robert Sherwood, p. 844.

armies and the attempted assassination of Hitler caused many Anglo-American officers to predict victory by Christmas. In an exact ratio as the Nazi control of Europe decreased, the Communist threat increased. Churchill had witnessed the revival of prewar rivalries between France and England when the German collapse in 1918 sundered the only tie that had held them together. Its recollection may have alerted him to critical situations that were bound to occur as the armed forces of the United Nations continued their victories.

As early as May 4, 1944, Churchill warned Eden that the Russian advance in the Balkans had raised the question whether Britain should acquiesce in the communization of the Balkans and perhaps Italy. Communist intrigues in Italy, Yugoslavia, and Greece were making a decision necessary; Churchill added that they must consult the United States first. Two weeks later at Eden's invitation, the Russian Ambassador discussed at the Foreign Office a British proposal that the Soviet consider Rumanian affairs as their concern and leave Greece to the British. The Russian envoy was agreeable but immediately inquired if the British had consulted the United States. Not until May 31 did the Prime Minister request the President's approval. The State Department expressed its dislike of creating spheres of influence in the Balkans. On June 11, Roosevelt replied directly to Churchill suggesting "consultative machinery" to restrain the development of military agreements into permanent spheres of influence.

In spite of this objection, the President on June 13 agreed to Churchill's arrangements for "three months." With this encouragement, on June 23 in a long, persuasively worded message, Churchill pleaded that he and "Uncle Joe" be allowed to settle the fate of the Balkans, reminding the President that he had not informed Churchill of his conversations with Stalin about the Poles. Churchill reported that the Russians insisted on consulting the Americans directly, although in July the Prime Minister had informed Stalin that he had the President's approval for a three months' trial of a Russo-British dual arrangement for Rumania and Greece. In the same message he asked Stalin to consider the question of persuading Turkey to break relations with Germany, as the first step toward war. He offered these thoughts as his personal ideas. Stalin replied that the American Government had doubts concerning the Anglo-Russian arrangement for Rumania.

Blunder No. 13: FAILURE TO BYPASS PHILIPPINES, TAKE FORMOSA FIRST

The American Joint Chiefs of Staff differed fundamentally on the most effective means of compelling Japan to surrender unconditionally. Navy members realized that Japan could be defeated by a sea blockade assisted by heavy air bombardments. The army members not only insisted upon an invasion of Japanese islands but were further convinced that Russian assistance was needed in order to defeat or contain the Japanese army in Manchuria. It is known now and was estimated then that Japan had withdrawn many troops and planes from China during the course of the war.

In July after securing the Democratic nomination, the President, accompanied by Admirals Leahy and Brown, sailed for Honolulu where he conferred with Admiral Nimitz and General MacArthur. The conference was strictly military and naval. Admiral King was easily available for this meeting, but the President knew he was in favor of by-passing Luzon and landing in Formosa. King was not invited to attend, although he was the President's senior naval adviser and the problem was preponderantly naval.

According to Leahy, "MacArthur was convinced that occupation of the Philippines was essential before any major attack in force should be made on Japanese-held territory north of Luzon." Nimitz disagreed and developed the navy's plan of by-passing the Philippines and attacking Formosa. Nor did Nimitz see that "Luzon, including Manila Bay, had advantages that were not possessed by other areas in the Philippines that could be taken for a base at less cost in lives and material." The President decided in favor of taking Luzon and occupying the Philippines. Not only did this decision cause unnecessary loss of American lives, but stubborn Japanese resistance to American reoccupation of Luzon resulted in enormous destruction of property and lives of Filipino civilians.

At the *second* Quebec Conference in September 1944, the President and Churchill initialed the "Morgenthau Plan" for destroying future German war potential while the Combined Chiefs of Staff perfected plans for the invasion of Japan. The British and American Ambassadors reported these plans to Stalin on September 23. No reference had been made to Soviet participation in the attack on Japan; Stalin tartly informed the envoys that if the western allies preferred to defeat Japan unaided he was agreeable.

Roosevelt contemplated a second conference with Churchill and Stalin. On the military side it was necessary to agree upon the date and extent of Russian participation in the campaign against Japan. Political questions still unsettled were the postwar status of Germany, including the extent of reparations, zones of occupation, treatment of war criminals; the Polish government and frontiers; the place of France in Europe; and the voting procedure in the United Nations. But Roosevelt still thought it unwise to leave the country to confer with Stalin during a presidential campaign. Churchill, also a practical politician, appreciated Roosevelt's dilemma: He cabled the President that Red armies would not halt their advance until American ballots were counted; and on September 29, in another long, persuasive cable, he endeavored to divert Roosevelt's attention from his campaign to the increasingly critical situation in Europe. Advising the President that he and Eden were considering a visit to Moscow, he gave the following objectives: to clinch Red entry into the war against Japan which had already been pledged; and to settle the Polish problem amicably; apparently as an afterthought, Churchill added the most important point that while there they would discuss with Stalin points concerning Yugoslavia and Greece.

On October 3, Roosevelt had prepared a cable to Churchill implying his willingness to let Churchill speak for the President in his approaching conference with Stalin. When Hopkins heard of it, perhaps through his protégé Charles E. Bohlen, liaison officer between White House and State Department, he took the extraordinary liberty of stopping the despatch. Then he went to the President and persuaded him to alter the message entirely. The revised message said that the President would consider Churchill and Stalin's talks "as preliminary" to a meeting with all three as soon as the election was over. Then he asked that "Mr. Harriman be present." There was certain justification for Hopkins' recommendation and the President's action. Churchill always reserved full rights to talk on any subject directly to Stalin and already had stretched the President's reluctant acquiescence to deal directly with Stalin in the Balkans to include attempts to get Turkey in the war. Roosevelt's action left Stalin free to overrun eastern Europe. On the other hand, if Churchill had been permitted he would have dispersed forces all over the eastern Mediterranean.*

In any event Harriman attended the meetings and Roose-

**Roosevelt and Hopkins*, by Robert Sherwood, Harper & Brothers, pp. 833-834.

velt's message gave Stalin much satisfaction as indicating a rift in Anglo-American relations.

The message corrected Stalin's impression "that Churchill had been authorized to speak for Roosevelt as well as himself." Stalin could have gained this opinion by a sentence in a message Churchill had sent on September 27 when, after long talks "with the President" at Quebec, he assured Stalin of their joint "intense conviction" that the hopes of the world depended on the agreement of the Big Three, that a conference of them was necessary and that the "President intended to visit" England immediately after his election, win or lose. Also after receiving Roosevelt's message that Harriman would be an observer, Churchill cabled back that he was sure the President would not object to private conversations "between me and Uncle Joe, or Anthony (Eden) and Molotov." As Roosevelt had made a special point of holding private conversations with Stalin at Teheran, in which he made some uncomplimentary remarks about Churchill, he was in no position to object.

Blunder No. 14: THE "PRO-RUSSIAN ATMOSPHERE IN WASHINGTON"

The temerity of Hopkins in delaying a personal message from the President to Churchill shows that he still enjoyed Roosevelt's confidence and that his numerous friends in key positions kept him informed of current events. It also indicates that Hopkins preferred Stalin to Churchill and had succumbed entirely to the pro-Russian atmosphere in Washington that he himself had done much to create. In September 1944 Secretary of the Navy Forrestal wrote a friend that "if any American suggests that we act in accord with our own interests he is apt to be called a . . . fascist or imperialist, while if Uncle Joe suggests that he needs the Baltic provinces, half of Poland, all of Bessarabia and access to the Mediterranean, all hands in Washington agree that he is a fine, frank, candid and generally delightful fellow who is very easy to deal with because he is so explicit in what he wants."*

By October 1, 1944, Red armies occupied Finland, Bulgaria, most of Estonia, Lithuania, and Poland to the Vistula; they had entered Hungary, Yugoslavia, and reached the frontiers of Greece and Turkey. British troops had been landed in Greece. As British and Russian troops liberated inhabitants of these countries some confusion was inevitable. The disorder was increased by the traditional Anglo-Russian rivalry in the Balkans in spite of Churchill's efforts to reach agreements with Stalin. Stalin and Churchill had agreed that in Bulgaria, Hungary, and Rumania the Soviet Union would have 75 to 80 per cent, the British 25 to 20 per cent, predominance; in Yugoslavia they would share 50-50; and the British would have full control in Greece. European statesmen were all accustomed to delimiting spheres of influence and, regarded simply as an arrangement between two countries liberating other countries from enslavement, it was a fair division. Apparently it was agreeable to both participants because, before leaving, Churchill got Stalin to pledge that Russia would take the offensive against Japan in Manchuria, three months after the defeat of Germany, provided the "political aspects of Russia's participation were clarified"; which meant that the good old paymaster, Uncle Sam, would provide Russia with munitions and supplies.

Anglo-American troops had by Christmas liberated most of Italy, Belgium, and parts of Holland. In November, Stettinius thought the British officials in Greece, Italy, and Belgium were supporting the conservative elements in these countries and attributed their actions to Churchill's desire to preserve the limited constitutional monarchies that prevailed before the war. In December, Stettinius stated officially that "the composition of the Italian government was purely an Italian affair." As his remark was evidently addressed to British officials in Italy, Churchill was indignant and informed Roosevelt he would reply in the House of Commons. He did. Relations were further strained between Roosevelt and the Prime Minister. According to his son Elliott, the President was outraged because he thought British troops were killing "Greek guerrillas who had fought the Nazis for four years." Almost simultaneously in a speech in Commons explaining the situation in Poland, Churchill left the impression of "secret agreements" among the Big Three at Teheran. Roosevelt was being accused in Washington of making secret agreements with Stalin. Being vulnerable to this attack he was increasingly indignant with Churchill. Hopkins in a carefully worded cable mediated. Churchill flew to Athens and arranged a truce between the two Greek factions; better feeling then prevailed. In addition to other liaison activities immediately after Roosevelt's re-election, Hopkins began arranging with Ambassador Gromyko the long awaited conference between the Big Three which took place at Yalta.

Blunder No. 15: THE YALTA GIVEAWAY

Domestic problems occupied most of the President's time until his inaugural, at which his physical appearance frightened many observers including Mrs. Frances Perkins and Mrs. Henry Morgenthau. The following day Harry Hopkins left by plane for London for preliminary talks with Churchill; on January 23, the President with Mr. Byrnes, Admiral Leahy, and other advisers sailed for Malta where they were joined by Hopkins and the new Secretary of State, the Honorable Edward Stettinius. The most exact record of Yalta is by Byrnes who kept stenographic notes; accounts by Stettinius, Leahy, and Churchill are in substantial agreement. Mr. Byrnes confirms the President's poor physical condition that confined him to his cabin and only permitted him four or five discussions with Byrnes and Leahy on the voyage. Hopkins too was ill when he arrived in Malta from London and departed shortly after for Yalta. Byrnes in the few conferences with the President found he had made little preparation for his talks with Stalin and Churchill; not until after his arrival in Malta did Byrnes have access to the State Department's well-prepared agenda.

This lack of preparation did not affect Roosevelt's actions. His purpose at Yalta, as at Teheran, was to gain and to keep Stalin's support for the United Nations. If he had been fully briefed he would have made the same decisions. Byrnes stated only the rapid advance of our armies caused the President to give "urgent attention . . . to European military and political problems." Stettinius and Judge Sam Rosenman, editor of Roosevelt's papers and speeches, confirm Byrnes' statement. The immediate objective of Roosevelt was to get Stalin to overrule the Soviet Delegation at Dumbarton Oaks and agree to the President's agreement fixing the voting procedure of the Security Council. Stalin had not read the proposal, but when he did he emphasized his interest saying, "all questions are decided by votes and we are interested in decisions not discussions."

Stalin was familiar with and had positive views on the composition of the Polish Government, the future frontiers of Germany, Poland, and Russia, and German reparations. Stalin made it clear that he would have nothing to do with the Polish Shadow Government that had fled to London after Russo-German occupation of Poland and maintained the war against Germany. Churchill felt very strongly that its members should participate in the new government. This question was shuffled over to the Foreign Ministers for further study; while they studied Stalin installed his committee to govern Poland.

**Forrestal Diaries,* edited by Walter Mills and E. S. Duffield, Viking Press. Entry made on 2 September 1944.

Stalin indignantly refused the timid suggestions of Roosevelt and Churchill that Poland retain Lvov and its adjacent oil fields, asserting that he would not dare to return to Moscow if he agreed. He also displayed impatience when Roosevelt opposed his request for two extra votes in the General Assembly for Soviet Russia. Hopkins became alarmed and penciled a note to the President to "get this problem referred to the foreign ministers before there is trouble." Roosevelt did so. On the big question of reparations Stalin demanded 10 billion dollars. Churchill objected, pointing out that it had been impossible to obtain half that sum from Germany after World War I. Stalin contended that he could get that much "reparations in kind" by confiscating German factories, machine tools, railway rolling stock and investments in foreign countries. This argument continued throughout the conference. On the last day, Hopkins penciled another memorandum to Roosevelt saying, "Mr. President: The Russians have given in so much at this conference that I don't think we should let them down. Let the British disagree if they want to—and continue this disagreement at Moscow. Simply say it is all referred to the Reparations Committee with the minutes to show that the British disagree about any mention of 10 billion." Byrnes recorded Roosevelt's subsequent statement made at Hopkins' suggestion that the Reparations Committee take "as a basis for discussion the suggestion of the Soviet Government, that the total sum of reparation should be 20 billion and that 50% should go to the Soviet Union." Thus Hopkins and Roosevelt gave Stalin ample reason for asserting that he had been promised 10 billion dollars in reparations.

The problem of reparations rapidly became academic, for as the Red armies occupied Germany and her former conquered states they took reparations in kind. To understand the atmosphere at Yalta it is necessary to note that in important questions Hopkins often intervened and always on behalf of Stalin. Stettinius also asserted that Russia made important concessions; he later acknowledged she did not keep them. Byrnes himself hailed Yalta as the high tide of Big Three Unity.

This is Stalin's record. He kept three pledges: to permit nations that declared war on the Axis by March 1, 1945, to join the United Nations as charter members; to grant France an occupation zone carved from the Anglo-American zones and a seat on the Control Council; during the last few weeks of war in Europe he coordinated movements of Red armies with Anglo-American. He delayed making airfields in Russia available for American planes until they were unnecessary. His delegation at San Francisco refused to fulfill his promise to Roosevelt at Yalta until Hopkins personally intervened. Stalin broke his pledges: to admit members of the Polish shadow cabinet in London to the new government; to settle the Polish boundaries at a peace conference; and to permit peoples liberated from Nazi control by Red troops to elect their governments; instead army commanders installed Soviet regimes.

Stettinius defended the agreements reached at Yalta asserting it was Stalin's failure to keep his promises that caused the trouble. That raises another question: Why did Roosevelt, Stettinius, Byrnes, Hopkins, and others trust Stalin's promises? He had repeatedly failed to keep them before. Stettinius had no reason to trust any promises of Stalin. General Deane, army representative in Moscow, reported to Washington just prior to the Yalta Conference that a Russian agreement in principle means exactly nothing; they are generous "in giving such agreements." But even after his return from Yalta Stettinius reported to Secretaries Stimson and Forrestal that there was every evidence at Yalta of Russian desire to cooperate along all lines with the United States.

Robert Sherwood, a stout supporter of Roosevelt, attributes his cosigning with Churchill the pledge to Stalin that the "claims of the Soviet Union shall be unquestionably filled after the defeat of Japan," to the fatigue which made him anxious to "avoid further argument." After the President made his formal report to Congress, secret parts of his agreements began to leak out. Soon the word "Yalta" assumed a sinister significance to Americans.

Admirers of the President can offer in his defense the insistence of high army officers that Russia's assistance was necessary both to invade Japan and then to defeat Nipponese armies in Manchuria before Japan would surrender unconditionally. Even here the President was partly responsible, for "unconditional surrender" was his personal suggestion. Stalin was better informed on the Japanese situation than the President or his army advisers. Before the army's long-range bombers and the carrier-based navy bombers began their final attacks on Japan, and at least a month before the A-bomb had devastated Hiroshima, the Emperor of Japan had requested Stalin to intervene to end the war. He delayed a reply to Tokyo; continued to receive supplies from the United States for a three months' campaign of thirty divisions; reinforced his divisions in Manchuria, and finally waged a week's campaign of rear-guard actions with retreating Japanese. The United States paid an excessive price to Russia primarily because Roosevelt accepted the advice of MacArthur and Marshall in preference to that of King and Nimitz. These generals, like many other army commanders, including Napoleon, were convinced that the only way to defeat a nation, even an insular Empire, is with huge armies.

Blunder No. 16: ROOSEVELT'S MISTAKEN TRUST IN STALIN

The President could blame only himself for the sacrifices he made to get Stalin's support for the United Nations. This project like unconditional surrender was peculiarly his own. Roosevelt had less reason than any American official to trust Stalin. After he recognized Russia in 1933, only a few weeks had passed before the Red Ambassador flatly questioned the President's veracity in his own capital city. Yet he never abandoned his confidence in his ability to handle Stalin. Had he trusted his political opponents in the United States as he did Stalin, he never would have been elected Governor or President. In domestic campaigns he never let down his guard. He recognized instantly any political stratagem. He enjoyed political scrimmage, but again and again he accepted at full value promises made by Stalin.

Only a few weeks elapsed between the President's report to Congress and his death. During this time Stalin cabled Roosevelt that "his action" in supporting the American acceptance of a German emissary "creates ground for mistrust." As near as he dared Stalin was questioning the President's truthfulness. In a second reply Stalin contradicted the President. Finally in a cable Roosevelt resented these "vile misrepresentations of my actions or of those of my trusted subordinates." On April 7 Stalin made a partial apology to Roosevelt declaring he had never doubted the President's honesty and dependability. Five days later on the day of his death the President sent a message to Ambassador Harriman to consider the incident closed. That same day, in answer to a query from Churchill, he replied: "I would minimize the general Soviet problem as much as possible . . . We must be firm, however, and our course thus far has been correct." As long as he lived President Roosevelt remained convinced of the wisdom of his policies and the necessity of acting as intermediary between Stalin and Churchill.

Rarely have such an oddly mated trio headed a great

alliance during a global war. Between Teheran and Yalta, fourteen months, Churchill repeatedly reminded Roosevelt of the Kremlin's ambitions. During an election year, Roosevelt would take no political risks; otherwise Churchill might have opened his eyes to "Uncle Joe." But even after Yalta, Roosevelt was as suspicious of Great Britain as of Russia, stating at a Cabinet meeting in semijocular manner "that the British were perfectly willing for the United States to have a war with Russia any time . . ."* While jocular, the remark is entirely in accord with his confidential statements to his son Elliott at Cairo that the biggest thing he had done at Teheran "was to make it clear to Stalin that the United States and Great Britain were not allied . . . against Russia." In the President's own opinion his job was "to act as referee, as intermediary between Russia and England." In familiar fatherly talks with Elliott in the White House, the President, after his return, said he was "going to make the British fall in line with American thinking about colonies." Roosevelt's phobia against British colonies was a perpetual barrier between him and Churchill.

But it was the President's desire, bordering upon a mania for the United Nations, that caused him to make most concessions to Stalin—that and perhaps a certain sympathy with some of the aspects of communism. These two facets of his character led Roosevelt to add to the huge Russian Empire that was mainly composed of conquered countries forcibly embodied in the Russian Empire and inherited by Stalin; while on the contrary he continuously endeavored to make Churchill begin liquidating the British Empire by granting India her independence and internationalizing Hong Kong. Compared with the Russian Asiatic provinces under the Czars and governed by retired generals and later by Red Commissars, the most wretched bit of the British Empire was a model of good government. Roosevelt, while bent on destroying the British Empire, was willing for a few small concessions from Stalin for his United Nations to re-establish Russia in Manchuria. There was nothing consistent in Roosevelt's attitude toward the two empires, unless changing the name of Russian Empire to Soviet Republics reconciled him to the Red Empire.

When the Honorable Harry S. Truman succeeded to the Presidency, he brought with him considerable information of the American military establishment gained by a very thorough investigation he had made as Chairman of a Senate Committee. As Captain of an efficient battery of Missouri Field Artillery he had become well acquainted with land operations in World War I. But Roosevelt had almost ostentatiously excluded him from the top level conferences where United States policy and strategy were determined. He required time for him to acquaint himself with the diplomatic and military situation. But he had a clear idea of the heavy responsibilities of his office; he had shown during World War I a natural willingness to accept responsibility and as a Senator he had familiarized himself with government organization. Unlike Roosevelt, he preferred to use government departments and to follow prescribed channels of authority to carry out his policies.

It is not within the scope of this book to evaluate Truman's abilities as a war President. Only a few incidental references will be made to his Presidential decisions.

In the American tradition, Truman's first act was to invite the Cabinet members to remain and to announce that he would carry out the policies of his predecessor. In this spirit he informed both Russia and China that he would fulfill the promises made to Russia by Roosevelt. In other less important matters Truman was bound to accept previously made decisions. He could not be fairly criticized for carrying out half completed policies of Roosevelt. But he promptly showed Stalin that there was a new pilot at the helm when he refused point blank to recognize the Red puppet governments set up in the Balkans. In March 1947, he obtained Congressional approval to give military and economic assistance to the government of Greece threatened by bands of terrorists led by Communists. This was a reversal of Roosevelt's policy of supporting these forces who claimed they had fought Hitler's army of occupation. For almost the first time Stalin found that he could not change American policy.

As victory approached in the Far East, President Truman faced the same problem in China that Roosevelt had faced in Greece. The Chinese Communists, who had been openly defying Chiang Kai-shek, claimed to be resisting the Japanese and only seeking to obtain representation in the Kuomintang, a solution of the land problem, and a democratic form of government. Roosevelt had sent General Patrick J. Hurley as Ambassador to Chungking in the vain hope of uniting the Chinese factions. In November 1945, Hurley, convinced that some members of his staff in the Embassy were too friendly with the Reds and that he was not being supported by the State Department, submitted his resignation.

Blunder No. 17: BAD PROFESSIONAL ADVICE FROM U. S. MILITARY CHIEFS

President Truman selected General Marshall to undertake the task laid down by Hurley. While Marshall was spending his days explaining to a Congressional Committee the reasons for his actions leading to the disasters in the Pacific in the winter of 1941-42, he was being briefed for his mission to China by the State, War, and Navy Departments. The industrious, patriotic Chief of Staff loyally undertook an impossible task. He would deserve entire sympathy for his failure had he not been primarily responsible for many of the decisions that led to the debacle in China. In 1941 he had supported General MacArthur and General Arnold's plan to defend not only Luzon but the southern islands with 100 bombers; he nominated Field Marshall Wavell as supreme commander of ABDA forces in the Far East; he had insisted that Russian assistance was essential to defeat Japan; throughout the war he limited the forces in the Pacific to overinsure success in Europe; and at the very end of the war he was chosen by the President to repair the result of a series of blunders to which he had largely contributed. In 1941 Secretary Hull had refused to consider the modus vivendi with Japan for fear of causing Chiang Kai-shek's defeat; yet after winning a war Truman's administration let the Russian and Chinese Communists unite to expel Chiang and the Nationalist Government from China.

In estimating Roosevelt's ability as a war President fairly, it is only just to consider the professional advice he received. The Joint Board headed by General Marshall and Admiral Stark and later the Joint Chiefs of Staff on several important problems either badly advised the President or accepted his decisions aware of their unwisdom. The most important of these have been related. As the individual officers signed Joint Staff decisions that they did not approve, it is impossible in many cases to fix personal responsibility; but in one case Admiral King was so strongly opposed to the decision reached he expressed his opposition publicly. Admiral Leahy has recorded the limitations he placed on his recommendations to the President which effectively confined his role to liaison officer between the President and the Joint Chiefs of Staff. That left Generals Arnold and Marshall and Admiral King. It is easy to infer from the decisions finally

*Forrestal Diaries, p. 36.

reached which the Generals supported and Admiral King opposed; for the strategic concepts of each of them are well known. Summarizing, Arnold was convinced that Germany and Japan could be defeated by air power alone; King was convinced that Japan could be defeated by blockade and her surrender hastened by air attacks. He realized that the defeat of Germany would require large armies. Marshall believed that only massive infantry attacks could defeat either Germany or Japan; further, Marshall apparently accepted, for he never opposed, the opinion of General MacArthur that the invasion of Japan by American troops could not succeed unless it was accompanied by a Russian invasion of Manchuria either to defeat or to contain the Japanese armies in Manchuria. With these different views, defenders of the President's conduct of the war can justify many of his decisions by quoting advice from some member of the Joint Chiefs of Staff.

In all probability each member of the Joint Chiefs sincerely held the opinions they gave the President. It will be the same in a future war. Experts always differ, particularly experts on the conduct of the war. The civilian Chief Executive should have a general knowledge of the science and art of war, and then he could anticipate and allow for the tendency of each of his military advisers to depend more upon a particular branch of the armed forces. Certainly it would be unfair to criticize President Roosevelt for accepting professional advice of the Joint Board from September 1939 to June 1940. But when the Chief of Staff of the Army was absolutely wrong about the ability of France to resist the Germans, the President should have been more wary about accepting his estimates of the resistance that Russia could offer to the Nazi invasion. And when Stark could only suggest provoking a war with Germany as the first step to prepare the navy for war, he should certainly have looked around for another Chief of Naval Operations.

Blunder No. 18: THE MISTAKE IN "UNCONDITIONAL SURRENDER"

Roosevelt did not need to be a military expert; he only had to recall the experience of President Lincoln to realize that very often generals or admirals who reached the top in time of peace lacked the more rugged character essential in a war. There is every reason for being charitable in judging the decisions made by Roosevelt based on bad professional advice. But it should not be forgotten that he "did not like opposition too well," which means he preferred compliant advisers. It is impossible to justify his frequent strategic suggestions to Admirals Stark and Richardson that, if carried out, would have been disastrous; and it is to their credit that often they restrained the President. Like most Presidents, Roosevelt was elected in 1932 primarily on domestic issues. He entered the White House during a very severe depression which required drastic action that inevitably would have aroused bitter feeling among many citizens. Roosevelt made little effort to reduce domestic resentment; often he seemed to enjoy stirring up strife, not only against political opponents but against prominent and respected leaders in his own party. He paid little attention to foreign affairs until 1939, and by that time he had created opposition among many citizens that handicapped his efforts to unite the nation on a foreign policy. His decision to run for a third term further divided the nation, and his promise to leaders of union labor that he would preserve their gains acquired under his peacetime administrations added to the delay in shifting industry to war production. The length of the war involved another presidential campaign during which much, if not most, of his thought was concentrated on his re-election. All of these factors help to explain, but do not justify, many of the decisions affecting the conduct of the war that he made on his own responsibility.

His fiat that only "unconditional surrender" of the Axis Powers would be accepted enabled Hitler to convince the great majority of Germans that they had to fight to the bitter end or see their country destroyed; it hardened the firm resolve of the Japanese to continue the struggle; it had little effect upon the Italians who generally were opposed to the war. Had the President reflected briefly he would have realized that a nation that merely lays down its arms is at the mercy of the victor. His remark caused unnecessary loss of American lives.

On several occasions, notably at the Argentia Conference, Roosevelt announced that the United States sought "no aggrandizement territorial or other"; as the war progressed, American forces captured or recaptured islands and archipelagoes very important strategically, but mostly scantily inhabited and of little commercial value. Both the Navy and War Secretaries realized their value as outposts and wished to retain them. In June 1944, Forrestal asked Stettinius if the President was committed to the new theory of multiple ownership of captured territory by the United Nations. Apparently Roosevelt was, for he was determined to make the British, French, and Dutch follow the American treatment of the Philippines.* The action of the United States at the San Francisco Conference where this theory of multiple ownership was adopted is related here mainly to indicate how personal ideas, even whims, of Roosevelt profoundly affected American policy.

PART II — America's Pre-1941 Blunders

WE INVITE THE FIRST BLOW

PRESIDENT ROOSEVELT'S greatest mistake was made on the eve of American entry into the war as an announced belligerent.

About 9:30 P.M. on December 6, 1941, Commander L. R. Schulz delivered thirteen sections of an intercepted Japanese message to the President; he, after reading it, turned it over to Hopkins saying substantially, "This means war." After Hopkins had read the message he told the President it was too bad we could not strike the first blow and prevent any sort of surprise. Roosevelt replied, "No, we can't do that. We are a democracy and a peaceful people." The immediate effect

*As He Saw It, by Elliott Roosevelt, Little, Brown & Co., pp. 224-225.

of this pronouncement was cruel enough; the unnecessary losses entailed in Hawaii and the Philippines have been described. Since that time some high American officials have attempted to fasten that decision on the country as a national policy.

Apparently President Truman approved this policy, for his Secretary of State, Dean Acheson, and his Chairman of the Joint Chiefs of Staff, General Bradley, have made similar statements. Acheson said the United States can only fight a war like the one in Korea—that is, by remaining on the defensive and meeting Communist offensives wherever they occur with conventional weapons—because otherwise we would plunge the country "into the unspeakable disaster of a world war." Bradley does not quite agree with Acheson. He would not "wage a preventive war"; he would deter an aggressor nation by awaiting his atomic attack and then resorting "to instant, terrible and sustained atomic retaliation" against the aggressor. It is well to add here that Roosevelt had no historical basis for the fatal limitation his weird policy would place upon democracies.

The first democracies were the small city-states of Greece. The Roman Republic, then the Republic of Venice, also arose in the Mediterranean. Not one of them would have survived wars with autocratic states if they had awaited enemy attacks. Under John Adams and Thomas Jefferson our navy did not hesitate to attack French and Turkish men-of-war, privateers, or pirates in the Mediterranean and Caribbean. There is nothing in the history of the Greek, Roman, Venetian or American democracies that requires the United States to give the enemy the initiative. Hopkins realized that fact.

H. A. L. Fisher, one of England's most reflective historians, finished his history of Europe most impressed "with the impact of the unexpected" on each succeeding generation of man. Anyone hoping to anticipate the future by the past, therefore, must expect the unexpected. This is particularly true in war, because it is pure chance whether a nation, no matter if it is governed by one person, a few persons, or by all the people, will be efficiently led. Our own history since 1912 will illustrate the part chance plays in our destiny.

Both of our war Presidents felt the need of a personal confidant. Nothing indicates their different personalities so much as their selections as advisers. Wilson chose Colonel E. M. House, a quiet, refined, conservative, almost gentle southerner; Roosevelt picked Harry Hopkins, an invalid, a radical, with raucous voice, whose pastimes were night clubs and horse racing. To these two men, two war Presidents confided their inmost thoughts. And in the preparation for and the conduct of war, Wilson and Roosevelt followed similar patterns. Both were slow in preparing the armed forces; once involved, Wilson urged "the use of force without stint"; Roosevelt demanded the enemy's "unconditional surrender." Wilson insisted on changing the frontiers of Europe to accord with his doctrine of self-determination of people and to give to some land-locked nations access to the sea; Roosevelt permitted Stalin to alter the frontiers of neighboring states to get his support for the United Nations and demanded that Churchill relinquish some British possessions. Both were equally indifferent to the material interests of the United States or its citizens, but burning with zeal to create a new and wonderful warless world. They not only refused accession of territory in their time but proclaimed that the United States would never add to its territory.

These two Presidents were elected when the nation was at peace and Americans were primarily concerned with domestic issues, yet they were required to make decisions involving present and future wars. It is evident that "the impact of the unexpected" has already had a great effect on the United States.

In 1936, Japan formally asserted its determination "to secure the position of the Empire on the East Asia Continent by diplomatic policy and national defense," and to "develop the Empire in the South Seas." In July 1937, its government began by invading Central China; so in the first year of his second term, Roosevelt was compelled to pay more attention to foreign affairs. In May, Neville Chamberlain, Chancellor of the Exchequer, succeeded Baldwin as Prime Minister and began to rehabilitate the British armed forces. Simultaneously he sought a formula that would satisfy Germany and Italy. Hitler was steadily increasing the Reichswehr.

The British vainly looked to the United States for leadership in the Far East. The State Department contented itself with begging nations with interests in the western Pacific to observe certain principles. Chamberlain privately commented, "It is always best and safest to count on nothing from the Americans but words."* Hoover or Stimson truthfully could have said the same about the English people and government. The Japanese, well aware of sentiment prevailing in both countries, turned a machine gun on the British Ambassador in China traveling with his entourage with the Union Jack flying; later army bombing planes sank the *USS Panay* in broad daylight. Roosevelt and Hull, after accepting obviously false excuses on Christmas Day, congratulated the American people on their forbearance. The American press that pilloried Chamberlain for appeasing Hitler said little when Roosevelt set the example by appeasing Japan; and in 1938 the House of Representatives, influenced by public opinion, narrowly rejected a resolution proposing a constitutional amendment that would have restricted the power of Congress itself to declare war until such action had been approved by a national plebiscite.

The President's only reaction to the Panay incident was to direct the Chief of Naval Operations, Admiral W. D. Leahy, to send Captain R. E. Ingersoll to London to consult the Admiralty on joint action to resist the Japanese advance in the Far East. In January 1938, Anglo-American Naval Officers recommended that a British fleet be stationed at Singapore and an American fleet at Honolulu to cooperate in the western Pacific. Both navies had been neglected for several years. The British navy had maintained a larger construction program but had been deprived of control of its Fleet Air Arm; and, although having authority to create a first-class base at Singapore, the British Government had neglected both its naval facilities and fortifications. Finally, at the last moment defense was entrusted to an Air Force Commander, with a meager force of bombers.

The Anglo-American combined plan suggested two cripples leaning on one another. It was aptly named Rainbow One, because it was based in large part on hope. Hope of joint action itself was abandoned in May 1939 when London informed Washington that responsibilities in the Mediterranean would prevent the concentration of a fleet in Singapore and Washington accepted the obligation of defending the western Pacific alone.

Some economic pressure against Japan was applied. In June 1939, the State Department secured the cooperation of American airplane manufacturers to place a "moral" embargo on planes and spare parts to Japan on account of the indiscriminate bombing of undefended Chinese cities. In July 1939, it cleared the way for more economic pressure by notifying the Japanese Foreign Office of its intention to abrogate the Commercial Treaty of 1911. In February 1940 the treaty was neither renewed nor replaced. The State De-

**Life of Neville Chamberlain*, by Keith Feiling, London.

partment was then legally prepared to apply economic sanctions, but hesitated to do so lest it precipitate war for which we were far from ready.

LAGGING DEFENSES

Early in 1938, the President had apologetically recommended to Congress an extra 39 million dollars for defense because other nations were increasing their armaments at "an unprecedented and alarming" rate; he was careful to explain that only a small part of these funds would be expended on battleships and cruisers up to July 1940. Despite the weakness of the armed forces he wrote two expostulatory notes to Hitler during the Czech crisis. Two days after despatching the last one he learned that Great Britain, France, and Italy had agreed that the Sudetenland should be returned to Germany. At the same time, Roosevelt's ardent admirers insisted that these two notes entitled him to some of the praise lavished on Neville Chamberlain for preserving the peace. After the invasion of Poland no one volunteered to share Chamberlain's responsibility for appeasing Hitler. Chamberlain, as Chancellor of the Exchequer under Baldwin, must share some of the blame for Britain's unpreparedness, but the major share goes to Baldwin and MacDonald. A succession of French premiers including Briand, Blum, and Daladier were equally responsible for the unpreparedness of France. To Neville Chamberlain must go the credit for making the first determined effort to increase the efficiency of British armed forces between two world wars. And, by appeasing Hitler temporarily while vigorous efforts were made to improve radar stations, fighting squadrons, and the navy's air arm, he provided barely enough to enable Churchill to win the battle of Britain.*

In the United States, Hughes, Kellogg, Hoover, and Stimson must share the blame with Roosevelt for American unpreparedness in 1941; but in a much smaller degree, for he entered the White House almost nine years before Pearl Harbor. During his first four years he did his utmost to make further reductions in the Japanese, the British, and the American navies. As the Japanese would have only reduced 3 tons to 5 tons for the other two, the reduction meant that Anglo-American fleets would be reduced 10 tons to 3 for the future foe. Not until the eve of his third term did he commence to prepare the armed forces for war.

The conclusion of a nonaggression pact by Hitler and Stalin in August 1939 followed by the invasion of Poland in September surprised Tokyo as well as London, Paris, and Washington. Hitler's action diverted the attention of Roosevelt and Hull to Europe. Japan controlled Manchukuo, North China, and the major cities, ports, and railways in Central and South China. Chiang Kai-shek had retreated into the interior transporting a few factories ahead and scorching the earth behind him. His resistance absorbed enough Japanese resources to prevent their taking prompt advantage of the European war; their officials paused to appraise the situation.

On September 3, the President announced American neutrality; shortly after he proclaimed a limited national emergency and made a small increase in the armed forces. He promised the nation he would keep ships and citizens out of dangerous areas. Congress and the public were unwilling to trust the question of peace or war to the President. And for some reason he did not explain to the public the reasons for his foreign policies as he did so effectively for his domestic programs.

While Hitler's armored and motorized forces, with Stuka bombers overhead, slashed through Poland, Anglo-French forces after a feeble effort to advance on the western front, sheltered themselves comfortably in trenches "de luxe." At sea, the Anglo-French navies had no difficulty in establishing an efficient convoy system and maintaining control of the sea. U-boat sinkings were small. In Washington the War Department, still under the spell of the French army of 1918, reported to the President that the Nazis could not break the Maginot Line. The navy was equally confident that Anglo-French fleets could control the sea and suppress the U-boats. Admiral Leahy had advised the President that the navy was ready for war. When Ambassador Grew in Washington on leave advised the President that if Japan was denied oil from the United States or other commercial sources, she would probably take it by force from the Dutch East Indies, Roosevelt replied: "Then we could easily intercept her fleet."*

The menace of Europe caused the American Republics to rally around the United States; Sumner Welles, Under-Secretary of State, assured them that the Western Hemisphere could defend itself from all aggression by relying upon "freedom, democracy and Christian faith." All was tranquil along the Potomac.

Germany and Japan were discussing terms of an Anti-Comintern Pact to include Italy when, without informing Tokyo, Hitler announced the Red-Nazi Pact in August. The Japanese Cabinet resigned, stating that "Japan must form new policies." A compromise followed; General Abe became Prime Minister, and clung to the objective of establishing "a new order" in the Far East; Admiral Nomura, friendly to England and America, became Foreign Minister. In January 1940, a new Cabinet with Admiral Yonai as Prime Minister took office. Under Abe and Yonai, the army continued its advance in China. In February, Japan increased her demands on the Netherlands East Indies.

The German successes in western Europe in the spring of 1940 confirmed the confidence of the Japanese army in the Wehrmacht, but in Washington they caused a complete reversal of army and navy opinion. On June 26, the Joint Planning Committee and the Joint Board doubted if the British Empire would survive the winter of 1940-41. The General Staff reported to the President that the Nazis could invade England, take Gibraltar, cross the Straits into Africa, seize Dakar, cross the South Atlantic into Brazil, then occupy Venezuela, threaten the Canal Zone, Mexico, and the great cities of the middle west. On their weird hypothesis, General Marshall subsequently gave priority to airplanes and bases in the Caribbean and South America over Pearl Harbor or Manila.

Admiral Stark too succumbed to Marshall's defeatist philosophy. Apparently they convinced the President, who later suggested to Churchill that in case the United Kingdom surrendered, the Royal navy be despatched to bases in the Commonwealth. Some American officials feared to send surplus stocks of World War I rifles and 3" field pieces to England lest they fall into German hands. After Churchill pledged his Cabinet to fight to the end, Roosevelt promptly sent all surplus field guns, rifles, and munitions to England. A large majority of Congress approved the action and authorized the President to embody the National Guard and Reserves in the regular army and appropriated generously for the armed forces. But fears that the President, eager to aid Great Britain, might deprive the armed forces of essential equipment, caused Congress to require that the head of a Service certify that transfer of equipment would not jeopardize national security.

POLITICS ENTERS IN

Imminence of two political conventions added to domestic confusion; Roosevelt, before he had revealed his intention to run for a third term, appointed former Secretary of State

*The claim has been made (*To the Bitter End*, by H. B. Gisevius, Houghton Mifflin Co.) that if Chamberlain had not appeased Hitler the German army would have revolted. This assertion is, to say the least, doubtful.

*From Grew's unpublished diary. Quoted from *The Road to Pearl Harbor*, by Herbert Feis, Princeton University Press, p. 41.

Henry L. Stimson and the Honorable Frank Knox, influential members of the opposition party, to his Cabinet. Personal rivalries in the Democratic Party, Roosevelt's pledges to union labor before and after his nomination, and partisan strife during the Presidential campaign, hampered efforts to change industry from producing consumer goods to munitions.

In September 1940, Churchill renewed his request for 50 over-age destroyers. The Republican candidate for the Presidency, the Honorable Wendell Willkie, agreed to refrain from criticizing the action, enabling Roosevelt to comply with Churchill's request without political risk. In October, however, Democratic bosses in some big cities insisted that Roosevelt give one more assurance to mothers and fathers that "Your boys are not going to be sent into any foreign wars," or lose the election. This pledge was made to a Boston audience in October 1940 and subsequently handicapped the Commander-in-Chief of the Army and Navy. Roosevelt had some reason for accepting the advice of city bosses. Public opinion was against our entry into the war. Both political parties asserted in their platforms their intentions to keep out of war. Willkie did not suggest in any of his speeches that the United States enter the conflict.

Economic factors were having a cumulative effect on Japanese-American relations. Shortage of strategic materials appeared and in July 1940 were placed under government control. Secretary of the Treasury, the Honorable Henry Morgenthau, was openly seeking means of aiding Great Britain. He and Lord Lothian, the British Ambassador, immediately appreciated that together Great Britain, the United States, and the Netherlands could halt the flow of oil to Japan. Morgenthau recommended this action to the President, and was supported by Secretaries Knox and Stimson. Under-Secretary Welles, General Marshall, and Admiral Stark opposed; they feared that if deprived of oil by such an embargo, Japan forcibly would seize it in the Netherlands East Indies and probably precipitate hostilities. The President decided against the action.

When exports of scrap iron and oil were prohibited except to Great Britain and the Western Hemisphere, aviation gasoline and its ingredients were not included.* Prohibiting the export of scrap iron alone was a blow to Japan's munition industry and Ambassador Horinouchi protested to Hull that it was an unfriendly act.

While Americans were engrossed in the national election, Japan's ambitions were increasing. Instructions to her representative at the meeting drawing up the Tri-Partite Anti-Comintern Pact included the following: "The sphere to be envisaged in the course of negotiations with Germany and Italy as Japan's Sphere of Living for the construction of a Greater East Asia New Order will comprise: the former German Islands under mandate, French Indo-China and Pacific Islands, Thailand, British Malaya, British Borneo, Dutch East Indies, Burma, Australia, New Zealand, India, etc., with Japan, Manchuria and China as the backbone."

On September 27, 1940, the Anti-Comintern Pact was signed by Germany, Italy, and Japan. It included a proviso that if one of the powers was attacked by a power, not then in the European war or in the Chinese-Japanese conflict, the three countries would help each other with military means. This was so plainly aimed at the United States that Secretary Hull simply announced that its consummation was the culmination of developments that had been known for several years. A few days later, Hull informed the British Ambassador that the United States wished to see Great Britain succeed in the war and that American acts and utterances involving the Pacific would be influenced by this desire.

When Ambassador Horinouchi left for Toyko in October 1940, he told Hull that never had Japanese-American relations been so critical; he refused to return to Washington and other diplomats declined the appointment. Thereupon some senior admirals persuaded Admiral Nomura, a former Foreign Minister, to take the post with its heavy responsibility for they were not then ready to accept the inevitability of an American war. These Flag Officers knew that their navy could easily gain temporary control of the western Pacific and enable their army to occupy the Philippines, Malaysia, and much of the Bismarck Archipelago. They also knew it would be difficult, if not impossible, to retain control of the western Pacific; furthermore, if a superior American fleet regained control of the seas in that area, these temporary conquests would be lost and the Japanese Islands blockaded. Responding to the requests of brother officers, Nomura patriotically undertook his task.

Before Nomura left Japan, Admiral I. Yamamoto, Commander-in-Chief of the Combined Fleet, with the approval of Admiral O. Nagano, Chief of the Navy General Staff, ordered Rear Admiral Onishi, Chief of Staff of the 11th Air Fleet, to prepare a plan of campaign so that the Combined Fleet could act promptly and effectively if negotiations failed and war with United States ensued. Simultaneously, officers of the British Royal Navy at Stark's invitation joined American officers in Washington to prepare Rainbow Five that became the Anglo-American plan for World War II.

Soon after the beginning of Roosevelt's third term, in response to requests from Churchill, he obtained the passage by Congress of the Lend-Lease Bill with an initial appropriation of 7 billion dollars. Churchill, momentarily satisfied, endorsed the President's campaign pledge made in Boston asserting that Great Britain would finish the war alone and did not wish the aid of American troops then in training camps. This pretense was soon abandoned in London and Washington. Admiral Stark, asserting that it would be folly to appropriate funds for lend-lease goods and then allow them to be sunk, contended that the Lend-Lease Legislation was a mandate from Congress to deliver these goods to the United Kingdom. Therefore, he urged the President to provide United States naval escort for them. Stark desired to get the United States into the war for he feared that the Nazis would compel the British Government to surrender before the American armed forces were prepared. Then he was convinced Germany and Japan would join to attack the United States, who would be left to fight alone.

As Roosevelt and Harry Hopkins inaugurated lend-lease, Hitler and Stalin were watching each other warily. Stalin, having defeated Finland, was remodelling his army to remedy the defects that war had revealed. He gave his generals a freer hand, with orders to improve the army. As the British resistance to Germany increased he raised Russia's claims in the Balkans. Hitler was further embarrassed by Mussolini's invasion of Greece and the visit of Yosuke Matsuoka to Moscow on his way to and from Berlin. Von Ribbentrop carefully explained to the Japanese envoy on his arrival that the Nazis had wanted to complete their alliance with Japan in 1939. As that proved impossible, Hitler was obliged to conclude an agreement with Russia, but that alliance was not important, and while the relations between Moscow and Berlin were *correct* they were not *friendly*.

Matsuoka explained with equal casuistry that he had only visited with Stalin and Molotov on their invitation. During their conversations he had emphasized that the Anglo-Saxons

*_The Road to Pearl Harbor_ by Herbert Feis, Princeton University Press, Chapter XII.

were the greatest hindrance to the establishment of a New Order in the Far East, that with the downfall of the British Empire difficulties between Russia and Japan would disappear. Stalin had replied that Soviet Russia had never gotten along with Great Britain and never could. Matsuoka sought to convince Stalin that the Anglo-Saxons were the common enemy of Russia, Germany, and Japan; Stalin genially agreed. In Berlin, Matsuoka listened carefully to Hitler's arguments, that ran substantially as follows: The Nazis were already victorious in Europe; Britain's only hope was aid from Russia or the United States; both Britain and the United States were striving to get Russia on the side of the British; he corroborated Ribbentrop's statement that Nazi-Communist relations were correct but not friendly; in Finland and the Balkans the Reds had demonstrated their unfriendliness; he knew Sir Stafford Cripps was trying to arrange an understanding between London and Moscow. Hitler said he placed no dependence on his agreements with Moscow, only in the strength of the Wehrmacht and he could quickly crush the Red army and the Soviet state.

Hitler again thanked Matsuoka for the "spiritual" aid Japan had given the Reich by causing the United States to hesitate to enter the war officially. Then he employed his most effective arguments. Now was the time for Japan to realize her aims in the Far East. England was tied down in Europe. Russia could not intervene since 150 Nazi divisions stood on her western frontier. The United States had three choices: she could arm herself; she could assist England; or she could wage war on another front. If she helped England she could not arm herself; if she abandoned England the latter would be destroyed and the United States would face the Axis powers alone. If, however, Japan did not improve this opportunity and the European conflict ended in a compromise, England and France in a few years would recover; they would be joined by America and Japan would face them alone.

Frankly admitting that there was always some risk in war, Hitler climaxed his argument by reminding Matsuoka that Japan was the strongest power in the Far East; that she would never have a better chance to attain her objectives. After the Axis victory Germany would satisfy her colonial ambitions in Africa and give Japan a free hand in Asia and the South Seas.

Matsuoka was impressed with Hitler's presentation; he was already convinced that Japan, on account of her industrious and increasing population, her commercial enterprise and the strength of her armed forces, was entitled to more territory and access to sources of raw materials. But Hitler failed to convince Matsuoka that the time to strike had arrived, so he told Der Fuehrer that he knew Japan could not solve the South Sea problem until she had taken Singapore. In time it would be attacked. He requested his conversation be considered confidential, for many of his colleagues did not agree with him, and would turn him out of office if they learned his views; finally, he cautioned Hitler not to be alarmed if he pretended to be friendly with Anglo-Saxons.

ADVICE FROM STARK AND MARSHALL

From Berlin, Matsuoka left for Moscow where he and Stalin had a final meeting where a "reinsurance" pact was made between the Reds and the Japs. No difficulty was encountered, because Stalin wanted to avoid a war with Japan and Japan wanted to avoid war with Russia. Shortly after Matsuoka returned to Tokyo, Hitler invaded Russia. Two days later, with Secretary Knox's approval, Stark advised the President "to announce and start escorting (convoys to England) immediately . . . that such a declaration, followed by immediate action . . . would almost certainly involve us in the war." Stark emphasized much more delay might be fatal to Britain's survival. Stark reminded the President that he had been "asking this [getting in the war] for months in the State Department and elsewhere," because he was convinced that only a war "psychology . . . would speed up" American preparations for war sufficiently.

While Stark was giving this advice to the President, Secretary Stimson reported his own and General Marshall's views. They were convinced that Germany would only require from one to three months to beat Russia; during this time, the President "should push with vigor . . . movements in the Atlantic," particularly the occupation of Iceland and equipping bases in Brazil. Not a word about the Pacific. Roosevelt's own estimate of the situation on July 1, was "the Japs are having a real . . . fight among themselves . . . to decide whether to attack Russia . . . South Seas . . . or sit on the fence and be more friendly with us. . . . He considered it essential to keep peace in the Pacific in order to control the Atlantic for he did not have enough Navy to go round . . ." Like Stimson, Roosevelt was hoist by his own petard. He was primarily responsible for not having enough navy to go around.

The President's statement indicates that he fully accepted the views of Stark and Marshall that our first task was to save Great Britain. In Tokyo, Prince Konoye was recalled as Premier and, after consulting chiefs of the army and navy, recommended, and the Emperor approved, the following program: To accelerate the advance into French Indo-China and to use force if French officials did not yield; to delay any attack on Russia; to prepare necessary forces to attain their objective. The Foreign Office explained to the Kremlin that their obligations to Germany did not require any change in their relations with Russia; Stalin was quite content with this *modus vivendi*; Hitler fighting Great Britain and Russia had no way of compelling his nominal ally, Japan, to participate.

The arguments given by Hitler to Yosuke Matsuoka eventually determined Tokyo's decision, and they afford an interesting contrast between the reactions of Washington and Tokyo to the invasion of Russia. After the war, Churchill admitted that from the beginning he had worked to get the United States into the war on the side of England and to keep Japan out if he could. But, if necessary, he would gladly accept the entry of Japan as an enemy if at the same time he could be sure of getting the United States as an ally. As far as Great Britain's interests were concerned, it is easy to understand Churchill's policy.

The President at the Argentia Conference in August 1941 accepted the suggestions of Churchill, who was striving to involve the United States in the war. Hitler offered Matsuoka various concessions, but Japan avoided war with Russia and, temporarily, with the United States or Great Britain, until Japanese forces were ready to strike.

Churchill had nothing to offer to the United States materially; and he loftily ignored strategical suggestions from American officers that Roosevelt had sent to London. Churchill obtained the entry of the United States on his own terms because Roosevelt, Hull, Stimson, Knox, Marshall, and Stark (in short, the U. S. High Command), after the collapse of western Europe, convinced themselves that to save the nation they must first save the United Kingdom. It did not take the British Foreign Office or the adroit Prime Minister long to discover this attitude; the rest was easy.

Admiral Stark went further than the rest. He attributed to American psychology the lag in military production that was really due to the recent Presidential campaign and Roosevelt's attitude toward labor. When Hitler steadily refrained from declaring war in spite of United States provocation, Stark urged the President to openly increase our aid to England in order to provoke hostilities, so that Americans would expedite the production of munitions.

Stark reversed General Washington's advice: "In time of peace prepare for war." Stark recommended that Roosevelt plunge the nation into war unprepared so that Americans would hasten their armament program. And the Chief of War Plans, Admiral R. K. Turner, was ready with a plan to provoke war with Germany in case we got into war with Japan first, and Hitler still remained neutral. But Hitler was only waiting until he could be sure of Japan's entry; he declared war soon after the attack on Pearl Harbor. Thus the United States was spared the effort of provoking a war with Germany, in order to save Great Britain, so as finally to produce sufficient weapons to protect the United States. Our devotion to our future ally, Great Britain, was only matched by the distrust among the Tripartite Nations.

Hitler's invasion of Russia relieved Japan of any menace from the north; concentrating her efforts in the south, she quickly occupied French Indo-China, whence she threatened the Philippines, Malaya, and the Dutch East Indies. At the Argentia Conference in August 1941, the President joined Churchill in a message to Stalin promising "to help your country . . . against the Nazi attack," and agreed with Churchill's suggestion to send a joint ultimatum to Japan, if she continued her advance in Siam. Shortly before, the United States, Great Britain, and the Netherlands had blocked Japanese funds in their countries; this action restricted oil supplies to Japan. Even as tempered by the State Department, Roosevelt's ultimatum which he personally read to Ambassador Nomura on this occasion convinced Nomura that further Japanese expansion southward would cause the United States to declare war on Japan, and he so advised his government. In September, negotiations were temporarily suspended. The Japanese southward advance continued, but when negotiations were resumed they pivoted around the Imperial navy's reserve of oil.

MILITARY MEN VS. DIPLOMATS

For months three groups in Japan had been arguing about their foreign policy. The army wanted to enter the war as an ally of Germany; the navy, including Admirals Nagano and Yamamoto, hesitated; they were confident that their navy could gain and maintain control of the western Pacific for about two years. Thereafter, they could not depend upon retaining control. The Emperor and Imperial Household sought a compromise solution. The restriction on the flow of oil to Japan confronted the Japanese navy with a crisis; its oil reserves would last only two years. If negotiations were prolonged, the reserve would be depleted correspondingly. Its only hope of resisting Anglo-American navies was to gain an initial advantage by some form of surprise, to seize oil wells in the East Indies, and with their fleet tankers, to replenish their reserves. Accordingly, Admiral Nagano advised the Emperor to put a definite time limit on the discussions in Washington.

In September, Japan formulated her minimum demands; the United States refused to accept. On November 5, Japan made a final offer; that too was rejected. On November 11 the nation was informed of the critical situation by Secretary Knox and Under-Secretary Welles in public addresses. On November 20, Ambassador Nomura suggested a temporary agreement to preserve the peace while a permanent solution was sought.

Meanwhile, General Marshall and Admiral Stark asked the President and Secretary Hull to prolong the negotiations, because they needed several weeks to increase their defenses of the Philippines. At first Hull agreed, but when Chiang objected and was supported by Churchill, Hull recommended and the President ordered the negotiations ended. Oddly enough, about this same time, the Japanese navy needed a few days to perfect its preparations; its Foreign Office complied with a navy request to prolong the discussions in Washington. Again the absolute contrast between Japanese and American diplomats in responsiveness to requests from the armed services was revealed.

Hull's refusal meant that the long Japanese-American conflict of interest would be settled by force. Like their diplomacy the approach of the two nations to the crisis was diametrically different. The Japanese had decided where and how to strike, and had trained each task force for its specific part; they only needed to decide upon the time to attack. They simply followed the precepts learned from European instructors of the army and navy and with their own native industry and patience improved on their instructors. They were apt students of European methods.

The U. S. High Command, having decided to make its initial effort against Germany even if Japan attacked first, allotted insufficient forces to the Pacific; Churchill expended forces in the Mediterranean he had promised to the Far East; most important, Roosevelt had decided to wait an overt attack. But neither international law nor custom requires such action. Over half of the wars of the past two centuries began without or before a declaration of war. Before our war with Spain, President McKinley concentrated the Asiatic Fleet in Hong Kong and gave orders to Dewey to be ready to destroy the Spanish Fleet at Manila. Sampson at Key West and Schley at Hampton Roads were ready on telegraphic signal to strike Cervera's Fleet if it approached the Atlantic or Caribbean coasts. It was the fatal election pledge made in Boston at the insistence of Democratic city bosses that gave the initiative to the enemy.* Many of the President's warmest friends regretted that speech. Among them was Secretary Stimson, a patriotic but often misguided statesman devoted to the President, who lamented his lack of courage to lay the whole question before the American public.

As early as September 1941, the Japanese combined fleet had completed preparations for its wide-flung attacks and the various task forces were trained for their specific duties. About November 5, when the final decision on war or peace was made by the Cabinet, the operation orders were issued to senior Commanders and they proceeded with their forces to their various stations. The forces were ready and could be launched on short notice.

An attack force commanded by Admiral Nagumo, formed around six aircraft carriers, had been practiced in launching torpedo and bombing planes especially to disable the fleet in Pearl Harbor. Assuming that this attack would succeed, a South Seas Attack Force under Admiral Kondo was ready to, and did, clear the way for, and protect, landing forces in the Philippines and Malaya. A Northern Defense Force interposed between Vladivostok and northern Japan. Admiral Yamamoto retained under his own command in the Inland Sea the main body of the Combined Fleet. He gave to the South Seas Attack Force two battleships, two aircraft carriers, two heavy cruisers, and a squadron of destroyers to observe and to attack if necessary the *Prince of Wales* and *Repulse*, British capital ships known to be at Singapore. He added to Kondo's Force the 11th Air Fleet of three flotillas, two in Formosa and one in Saigon.

Yamamoto's plan, executed on December 8, Tokyo time, was completely successful with losses much less than estimated. There was about a week's delay in capturing Wake; a four months' campaign was successfully completed within ten days of schedule.

Only a few more details of this disgrace of United States armed forces need to be recalled. First the operation was planned and controlled by Admiral Yamamoto from his flag-

*For details, see *Roosevelt and Hopkins*, by R. E. Sherwood, p. 191.

ship in the Inland Sea where he was in easy communication with the Foreign Office and the Chief of the Naval General Staff. Not until November 26, after receiving Hull's last note, did the Foreign Office despair of reaching an understanding. Then fleet movements began. Envoys in Washington prolonged the negotiations to give the fleets time to get into position.

Even then the Foreign Office through the Navy Department had complete control of the situation. D-Day was set for December 8, Tokyo time; "H" hour was dawn at Honolulu, December 7, Honolulu time; and 1:00 P.M. December 7, Washington time. Not until December 4 would the task forces reach assigned stations. Surprise was considered essential to success; therefore, if Admiral Nagumo encountered any American ships before December 6 (D-2), he was ordered to return; if he encountered any after December 7 (D-1), he was authorized to decide whether to return or to proceed to attack. This was the only initiative allowed to the Commander of the striking force.

The utmost care was taken to insure success. It was possible that the United States ships would be protected by steel nets that would intercept torpedoes; therefore, bombing planes were also provided; aerial torpedoes were provided with stabilizers; and veteran air pilots were especially trained to launch torpedoes in shallow water.

If the Japanese plan had been carried out precisely at 1:00 P.M., December 7, Washington time, Ambassadors Nomura and Kurusu would have presented Secretary of State Hull with formal notice that negotiations were ended and that Japan was free to take measures she considered necessary. Tokyo planned to declare war minutes afterward, and had the Embassy in Washington been as efficient as the fleet, the Japanese Government could have claimed that the attack followed the declaration of war. Decoding the long message compelled the ambassadors to request a delay in the meeting with Secretary Hull. They arrived about an hour after Pearl Harbor was attacked, for the Imperial Japanese navy carried out its program on schedule. The Pearl Harbor attack had thus been planned almost exactly like the attack on the Russian fleet in the Russo-Japanese war. The weapons were somewhat different, but the theory and policy of the application of force remained the same.

THE DISASTER AT PEARL HARBOR

The Roberts Board, which investigated the Pearl Harbor attack, was limited by the President to investigating actions of army and navy officers. On ex parte testimony, some of it unsworn, it promptly exonerated all members of the High Command in Washington from the President down from any blame for the disaster at Pearl Harbor. Subsequently, employing the time-tested legal procedures common in all military services and basing their conclusions on sworn testimony of responsible officials, the Army Pearl Harbor Board held that the Chief of Staff, General G. C. Marshall, had "failed to keep General Short fully informed as to the international situation" and that he "was personally concerned . . . with the delay in getting to General Short the important information reaching Washington" on December 6. A Naval Court of Inquiry, also using Service legal procedure, held that Admiral Harold R. Stark, Chief of Naval Operations ". . . did not transmit to Admiral Kimmel, Commander in Chief Pacific Fleet, during the very critical period November 26 to December 7, important information. . . ." Evidence given under oath before a Joint Congressional Committee in 1945-46 reveals beyond any reasonable doubt sufficient errors of omission and commission by the civil and military components of the U. S. High Command in Washington and the Pacific to justify the unfavorable conclusions of all three Boards.

In his recent book *The Final Secret of Pearl Harbor,* Rear-Admiral R. A. Theobald makes an excellent summary of the facts of the debacle. It is impossible to agree with his conjecture that "President Roosevelt encouraged and expected" the Japanese attack on the fleet. Vice-Admiral F. E. Beatty, Aide to Secretary Knox during the autumn of 1941, in a letter to the *U. S. News & World Report,* which published Theobald's book, agrees with the facts but challenges many of Theobald's conjectures. Although clearing Roosevelt of the more serious charge, Beatty confirms other evidence that Roosevelt did desire to get the country into war with Japan because "our efforts to cause the Germans to declare war on us had failed." Therefore, the President approved Secretary Hull's note handed to Ambassador Nomura on November 26 containing the demand that Japan evacuate China and other terms "so severe we (the Administration) knew that nations could not accept." In Beatty's judgment, "We did not want her to accept them." Admiral Turner confirms and amplifies Admiral Beatty's statement; he testified that if after Japan declared war Hitler still hesitated to do so, he had a plan that would provoke German entry.

Defenders of Roosevelt's policies and the consequent conduct of the U. S. High Command have excused their actions by asserting that these devious methods were necessary to wake Americans to their dangerous situation. These highly placed officials should not be allowed to use the public as a whipping boy to escape censure for failing to measure up to responsibilities; to do so would lower the standard Americans are entitled to demand of those who aspire to the honorable but exacting posts in the High Command. Americans for their own future safety should pay more heed to foreign affairs. They should remember that, while at present they are satisfied with their possessions, all other nations are not equally content. In the nineteenth century their forebears threatened Spain to get Florida and Great Britain to obtain Oregon territory; and fought Mexico to secure Texas, New Mexico, and California. At all periods of history some powerful states have been dissatisfied with their position and ready to go to war to improve it. Because they are satisfied today they should not make the dangerous assumption that all other nations desire peace. It only takes one strong, dissatisfied state to start a war; the American public should bear this fact in mind and be more willing to accept the burden of preparing for war in time of peace; if they do, the High Command in the future will have no excuse for resorting to various devices such as giving the enemy the first blow to ensure public support for an unavoidable conflict.

THE PHILIPPINE DEBACLE

The surprise attack on Pearl Harbor has entirely overshadowed the debacle in the Philippines whose officials knew several hours before the enemy struck that war had begun. Under the over-all plan of making the major effort in the Atlantic, the chance of the small land, sea, and air contingents of the American forces holding Manila Bay and enough surrounding country to furnish a naval and air base was poor indeed. This chance vanished when General MacArthur, with characteristic optimism, persuaded the War Department to increase his responsibilities. Late in November his mission was enlarged to include: support for the navy in raiding Japanese sea communications and destroying Axis forces; air raids against Japanese forces and installations within tactical operating radius of available bases; and cooperation with Associate Powers in the defense of territories in accordance with approved policies and agreements.

In fairness to the War Department, it should be emphasized that MacArthur's responsibilities were enlarged at his own request. But his difficulties were increased by the expressed

desire of the Administration "that Japan commit the first overt act." This led him to forbid air reconnaissance over Formosa before hostilities. MacArthur's overconfidence in his Filipino troops, added to the overconfidence of the Chiefs of Staff in the ability of thirty-five to fifty long-range bombers to repulse any expeditionary force, were the fundamental reasons for the speedy annihilation of the air force, the subsequent destruction of the navy yard, and the resultant uselessness of Manila Bay as a naval or air base. From 1939 to 1941, innumerable air fights had shown that unescorted bombers could not operate if opposed by fighters and flak. In addition, it was shown that, for sustained operations, bombers needed well-equipped bases, with dispersal fields and ample spare parts; and these bases (and bombers when grounded) needed to be protected from enemy air attacks. Nevertheless, Marshall and Stark accepted Arnold's and MacArthur's estimate that these B-17's hastily flown to the Philippines, where only a few partially equipped and poorly protected air fields existed, could deter or repulse the Japanese expeditionary forces escorted by carriers and supported by their planes and by fleets of land based Naval aircraft that covered the advance of the surface ships. And they so reported to the President.*

During the Japanese attacks in the Philippines, records were destroyed and subsequent oral accounts of senior officers are conflicting; the following statements are taken from the official history of the fall of the Philippines authorized by the War Department.

About 5:00 A.M., December 8 (Manila time) Brereton proposed to MacArthur to attack the Japanese Air Base in Formosa; this attack was deferred until a photo reconnaissance of the target could be made; about 11:00 A.M., an attack was authorized; meanwhile the bombers had taken to the air to avoid being bombed on the ground, the bombers were back on Clark Field shortly after 11:30 A.M.; MacArthur then planned to have the bombers attack Formosa at daylight on the 9th, but later gave Brereton permission to attack in the afternoon of the 8th. The bombers were being refueled and their crews having midday meals when, about 12:15 P.M., 108 bombers escorted by 84 fighters of the Japanese 11th Air Fleet, based on Formosa, struck. Despite warnings from observers in North Luzon that large formations were flying toward Clark Field and Manila, the first flight of bombers was unmolested by fighters or flak; 15 minutes later a second flight of bombers repeated the attack; all bombers remained at altitudes beyond the range of antiaircraft batteries. After the second attack a squadron of fighters came in flying low, machine-gunning and bombing. Only three American fighters managed to take the air.

Thus, on the first day of the war, ten hours after the attack on Pearl Harbor had been reported, the Far East Air Force was reduced by half; installations on the only air field in Luzon that could service bombers had been destroyed; the communication system necessary to operate the force as a fighting unit had been disrupted. Still hopeful, MacArthur reported to Washington that he was planning a massive attack on Formosa on the 9th.

Fortunes of war favored the Japanese: fog shrouded their base in Formosa at daylight on the 8th. But had Brereton been allowed to attack when he first requested to do so, if he could have found the airfields in the mists, he might have struck a serious blow on the enemy's highly efficient 11th Air Fleet, which later spearheaded the land and sea forces that overran the Philippines. Instead, this Japanese air force with one blow on December 8 gained control of the air over Luzon, two days later it destroyed Cavite Navy Yard, drove our submarines out of Manila Bay, and directly contributed to the surrender of Corregidor and the Bataan March. The air debacle in Luzon on the first day of the war is more humiliating to America's Armed Forces and the High Command in Washington than the surprise attack on Pearl Harbor.

PART III — Our "Suicidal" Policy Today

MUST WE TAKE THE FIRST BLOW AGAIN?

VARIOUS reasons for the collapse of American Forces in the Far East and their temporary neutralization in the Hawaiian Islands have been given. The one to be remembered is the insistence of President Roosevelt that the enemy be allowed to "strike the first overt blow." The assumption on which this decision was made was that the American people would not unite behind the President until they were attacked. There is no doubt that Americans prefer peace to war; that they are satisfied with their present possessions and do not want to commence a war of conquest. Secretary Stimson has told how the War Cabinet had sought a way "to maneuver the Japanese" into an attack that would do little damage, but would unite the people.

This theory still exists. The former Chairman of the Joint Chiefs, General Omar Bradley, and his successor, the present incumbent Admiral A. W. Radford, have announced that the United States will concede the first blow in the next war to the enemy and depend upon our power to make instantaneous, deadly, and sustained retaliation. Apparently Roosevelt's new theory that a democracy must await attack has been accepted. Such an attitude invites Russia to follow the Japanese methods and deliver a surprise attack on United States defense installations, on its concentrated and vulnerable industry, and on its populous cities. The blow might not be fatal but it would certainly raise havoc; and with a little luck it might so disarrange our defenses that the Red air force could follow up these attacks and gain such a decided advantage that at best, we would have to fight a long war of attrition; at worst, we would be left at Moscow's mercy. An alternative to this suicidal program is outlined below.

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Since World War II, strictly speaking, no new weapons have been invented, but all have been improved. As nuclear weapons are by far the most devastating and since, at present, only Russia and the United States have a stockpile of them, this discussion takes as a concrete example a conflict of

*Congressional Investigation, Pearl Harbor Attack, Vol. 2, p. 649.

Russo-American interests or ideologies culminating in war. There have been sufficient clashes of policy between these two powerful states since 1945 to give awesome realism to a prevision of such a titanic struggle. A Russo-American war would be proof of the inability of the United Nations to avert or suppress war among major powers, so the American High Command would have only a single objective: to win the war at the least cost. Both countries would have allies, but the burden of the war would fall on the United States and Russia since they are best able to sustain it.

With our experience in World Wars I and II freshly in mind, we know this grim struggle could not develop into a war to end all wars, or to establish another super State. It would be, from first to last, an unlimited war for survival between the monolithic communistic, land Empire occupying the heartland of Eurasia and its unhappy satellites, and a continental American Republic with only air and sea frontiers, and its uneasy allies. It could determine a long-disputed question: whether control of the great Eurasian land mass was more effective in modern war than control of the oceans, that is, apply another test to the conflicting theories of Mahan, the prophet of sea power, and Mackinder, the theorist of geopolitics.

In an international sense, it would be a war between two powerful alliances whose states are members of the United Nations; fundamentally caused by an irrepressible conflict between people believing in democratic self-government and people subjected to totalitarian government. Since the end of World War II this conflict has defied diplomatic settlement. It would resemble in some aspects our Civil War with the great difference that the loser might not be readmitted to the Union on equal terms by the victor. If it were not for their satellite states and allies, in the beginning a Russo-American war would be restricted to an air-sea contest. As some of our allies are exposed to greatly superior numbers of Red troops, it is necessary to go to their aid not only as a matter of honor but of interest, and the fundamental tactical question will be what aid can we give them without unduly jeopardizing ourselves. The United Kingdom confronted a similar problem when France began to falter in June 1940.

DEPENDING ON RETALIATION

The Secretary of State, the Honorable J. F. Dulles, on January 12, 1954, in a public address announced that our reaction to any local aggressions by Russia or her satellites would no longer be defensive action at the place attacked but instant retaliation "at places and with means of our own choosing." This was an extension of protection of our own country by retaliatory atomic attacks to defending the entire free world from Red aggression. Obviously, this is a huge commitment. Previously we had trusted that our power of retaliation would deter Russia from attacking the United States. The defense of Washington was our presumed ability to destroy Moscow.

The limited application of the retaliatory defense had many disadvantages. Its extension has multiplied them. For defense by massive retaliation depends for its success on new weapons not yet tested in actual war; and unpleasantly suggests Air Marshal Harris' proposal to win World War II by bombing Germany's industrial areas, which failed. The difficulty of providing a defense against airplanes prior to World War II led Great Britain and some European states to neglect their fighting planes and air defenses and to depend too much upon retaliation by their own bombers. One of the most impressive lessons of World War II is that fighter planes, antiaircraft guns, and radar communications inflicted unbearable losses on first the German and then Anglo-American bombing planes.

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The concept of relying on retaliatory attacks, without first providing an effective defense, carried to its logical conclusion would result in destroying enemy industry but, simultaneously, giving hostile planes practically a free hand to destroy our more efficient but more concentrated and, therefore, more vulnerable industrial plants. One must repeat: such an exchange would be a very poor trade for the United States, and the surest way to lose the war.

The Joint Chiefs of Staff, according to their Chairman, Admiral A. W. Radford, are with their Canadian colleagues constructing a modern defense system, including a warning system, a communications network that will coordinate fighter-interceptors and antiaircraft weapons. This is the improved version of the British system that won the air battle over Britain in 1940 and the similar German system that inflicted unbearable losses on the British night bombers in 1941-42, and the Anglo-American night and day bombers in 1943.

Defense will not stop all attacks but can stop enough to permit civilian producers to continue at their tasks, provided the civil defense system is effective and the government does not surrender. When Poland and western Europe were smitten with bombs and attacked by the Nazi motorized forces, panic-stricken civilians crowded the highways and interfered with the defense. The French Cabinet, rather than expose Paris to air attacks, declared it an open city and soon after surrendered one and one-half million young French soldiers to spare Paris and the nation further bombing. To gain a brief respite, the French Government of that day led its citizens into slavery and degradation. As devastating as "A" and "H" bombs may be, their consequences are not to be compared with the wretchedness of an enemy occupation that inevitably follows when a nation lays down its arms and surrenders to an enemy.

After the novelty of air attacks wore off, bombing of Chinese, English, German, and Russian cities increased rather than diminished the morale of civilians and their willingness to continue the war. An unexpected tactical result of indiscriminate bombing of cities like London was the creation of great areas of rubble that acted as fire screens and prevented the spread of fires from incendiary bombs. Meanwhile, the Royal navy and air force prevented an invasion of England. The rubble of Stalingrad was quickly turned into a series of tactical strongholds that enabled defenders to resist Nazi ground troops who attempted to follow up the air bombardment while the construction of bridges, submerged a few feet under the Don, permitted a continuous flow of food, munitions, and troops into the city during darkness. In more than one battle in Europe the preliminary air bombardment hindered the subsequent advance of tanks, mechanized regiments, and foot soldiers.

The exaggerated emphasis on retaliatory attacks as a means of defense has led to an astonishing neglect of the most elementary defensive measures. Until very recently, little if any effort was made to interfere with foreign espionage or sabotage. Even though the public and the government are now much more alert to the danger than ever before, there is a reluctance to undertake the necessary quietly effective police measures. Meanwhile, smaller "A" bombs have been produced. Consequently, it is probably easier for enemy agents to plant a small "H" or "A" bomb in an industrial or communication center than for an enemy bomber to deliver it. There is a simple and easy way to locate suspicious strangers; it has been employed for years in many European countries that require every person to carry an identification card with a portrait and fingerprints. Thousands of Americans are required to have identification cards for drivers' licenses, to enter certain establishments, and to prove their memberships in certain clubs or societies. The practice could be extended, and citizens could

be required to inform their local police when they leave their home town and show their identification cards to keepers of hotels, motels, boardinghouses, even flophouses. This system would make it much easier to locate evil-disposed foreigners who could start a disastrous series of explosions. The recent attack by Puerto Rican revolutionaries on members of Congress in their own chamber shows how easy it is for actual subversives and saboteurs to operate in the United States.

The necessary elements of an extremely effective civil defense system already exist in the United States. The problem is only to fit these parts together. In every state, county, city, and town there are police organizations that can be merged into a national force to prevent panic and to insure care for the injured and the redistribution of bombed out inhabitants. Public utilities, railways, urban and interurban transportation systems, with little if any changes, can cooperate. It is comparatively simple for power companies to supply light and power to adjacent areas in emergencies. Railways are accustomed to restoring tracks. Salvage companies are prepared to clear harbors and fairways and to raise sunken ships. It is a commonplace for big corporations to start to rebuild huge plants destroyed by fire before their ashes are cooled.

The Todt Construction Corps in Germany showed that modern organization and machinery could rebuild faster than Anglo-American planes could destroy German cities as long as the Germans had radar stations in French and Belgian territory between them and England to warn their fighter squadrons. German armament production increased by almost two thirds from 1942 to 1943. A further increase occurred in 1944 so that, in spite of all that the bombers could do, armaments output in 1944 was double that of 1942. The United States will have three oceans between it and Russia and greatly improved means of defense. Americans are alert, intelligent, accustomed to local self-government, and decentralized authority. Certainly, they are as courageous as the Chinese, Japanese, Russian, British, and German people who lived in the cellars of bombed out cities and continued to fight. They certainly will carry on if proper preparations are made to intercept enemy attacks, to minimize the damage from airplanes that do get through, and to provide reasonable shelter, food, and medical attention for bombed-out civilians.

OUR "SELF-DEFEATING" POLICY

The general pattern of American grand strategy has been very clearly stated by General Bradley; he assumes two national objectives, the first "to defend America"; the second "to prevent another world war." To accomplish them he proposes to maintain such forces as will (a) deter any sane aggressor from attacking, and (b) enable us to defeat an insane aggressor. In addition to the United States armed forces, Bradley requires sufficient allies (1) to avert sudden disaster such as a surprise atomic attack on America that would cripple or prostrate the nation, and (2) to avert installment-plan disaster such as the sudden conquest of an exposed ally. Simultaneously, we must be prepared to deliver instant, terrible, and sustained retaliatory attacks on the aggressor's military forces and productive capacity and be prepared with our mobilized industry and manpower to generate the power to defeat the enemy. We must be prepared to do all of these things and then await the enemy attack because if we attacked first—no matter how extreme the provocation—we "would be deep into the very war we are seeking to prevent."

General Vandenberg has given a preview of the opening phase of this all-out air war. Heavy and medium bombers already at overseas bases would make the first attacks on enemy targets; simultaneously, the bulk of our heavy and medium bombers would take off from bases in the United States for the overseas bases and the attack. Naturally, the enemy would be counterattacking our overseas bases and probably making one-way suicidal attacks on American cities and bases. These air battles would merge into one great world-wide air struggle. To direct the air battles and give them form will require a communication system that will permit the Air Command to coordinate the widely-deployed forces. General Vandenberg has told the Congress that the air force has many apprehensions concerning the rapid increase by Russia of its atomic weapons and the planes available to deliver them. As the enemy will undoubtedly endeavor to destroy the overseas bases and interrupt our communications, Vandenberg was convinced that the first six or eight days may be decisive.

It is obvious that voluntarily giving the enemy a free hand to deliver the first blow is giving him a great advantage and would make it difficult to deliver instant, terrible, and sustained atomic retaliation against the enemy. Bradley's main dependence is on our atomic arsenal and the means to deliver varied and sustained attacks for he admits that we have not accomplished the goal of forces and alliances (both Gruenther and Van Fleet confirm the statement concerning our allies) that would "avert sudden disaster, such as a surprise atomic attack on America. . . ." Bradley says, "One of the enemy's first major efforts . . . might be to destroy our retaliatory power by knocking out the air bases from which our atomic planes can take off." Bradley also is aware that the location of these overseas bases from which the Strategic Air Force expects to reach its targets with medium bombers are well known to all the world and are in easy bombing distance of Russia's medium bombers.

The strategy of basing all on atomic retaliation but giving the enemy the first blow, which blow would undoubtedly be designed to destroy or cripple our retaliatory powers, is, therefore, essentially self-defeating. Pursuing this policy means that the hope—probably in any case illusory—of winning World War III quickly and relatively cheaply has no real basis at all. There are several alternatives.*

"WE MUST STRIKE FIRST"

In order to make atomic retaliation effective as a deterrent to aggression, we must decide now and prepare to strike first whenever we have positive evidence that an attack is being mounted against the United States. Such a policy does not contemplate a preventive war or a sneak attack. We would only strike if the prospective enemy did not cease preparing to attack us or our allies by a certain time. It involves only a modification of the plan proposed by Bradley, but a necessary one. To depend on either policy means that a certain number of our heavy long-range bombers with their crews at hand must be ready at all times, that air patrols must be on station, that radar stations be manned night and day, and that a certain proportion of antiaircraft guns, flying missiles, and associated arms be on the alert. All these measures will have to be carried out under Bradley's plan of "instant retaliation" after waiting for the enemy to deliver the first nuclear attacks.

The following additional measures will have to be taken to permit us to strike first. We should announce now that in future any unidentified plane approaching certain areas will be shot down; a similar precaution was taken many years ago, by declaring that if unidentified ships entered certain strategic or

*Apparently Secretary Dulles is beginning to realize the limitations of instant retaliation. Undersecretary of State Robert Murphy recently stated "the capacity for retaliation . . . is not enough"; he admitted that the capacity itself might "be overpowered" and even if maintained was "not necessarily the complete answer." *U. S. News & World Report*, September 3, 1954.

tactical areas they would be in danger of submerged mines or attack by patrol vessels. We would have to accept similar restrictions by other nations on our planes; we have already permitted both Russia and Yugoslavia to shoot down our planes with only half-hearted protests. In the era of nuclear weapons and long-range bombers International Law or custom should permit any nation to deny certain air areas to any but identified planes.

If the government had positive evidence that a nation was deploying its planes or ships in such a way that they could launch a heavy nuclear attack, it should immediately man all our planes and batteries, deploy our ships in readiness to launch an attack or protect our own territory, and then give the potential enemy notice that if he did not dismount his attack within twelve or twenty-four hours we would feel free to attack at once. The prospective enemy would then either have to launch his attack or comply. If he launched his attack we would be ready to oppose him and simultaneously attack. We would get at least an even break. If he still remained in a menacing position, we could attack and gain the initial advantage.

A specific application of this doctrine would have met the situation envisaged by Secretary Dulles in the spring of 1954. He announced that Red China had come perilously close to intervening in the Indo-China war and that this action might justify the application of instant and stern retaliation with weapons and in places of our own choosing. Vice-President Nixon stated subsequently that, if the French withdrew their troops from Indo-China, it might be necessary for the United States to send troops to prevent the conquest of Indo-China and eventually southeast Asia by the Chinese Reds. This presented to the American public a choice of another land struggle similar to the one in Korea or an application of the Dulles policy of "retaliation with weapons and in places of our own choosing." From the combat point of view the Dulles plan is obviously better, provided the Administration realizes it is not restricted to either a preventive war or to conceding the enemy the first blow. We could deploy our land, sea, and air forces in a posture of defense against Russian air attacks, place the greatest portion of our strategic bombers, including carrier-based bombers and fighters, where they could strike the heaviest blows at Russia, and station enough of these in the Far East to strike heavy blows at Peking and Mukden and other Red Chinese cities. Then when we were in all respects ready, we could inform Red China that if she did not in twenty-four hours cease her aid to the Communists attacking Indo-China, Peking and Mukden would be obliterated. If Moscow attempted to come to the rescue of her ally, our offensive and defensive forces would all be in position to act.

There is nothing immoral or illegal in such a procedure. At Argentia, Roosevelt, upon the request of Churchill, sent a formal note to Japan stating that the United States would be free to take any and all measures it thought necessary if the Japanese continued the advance southward. The advance continued. About a month before the attack on Pearl Harbor, Secretary Stimson, familiar with domestic and international law, advised the President that this note issued in August was sufficient basis for going to Congress in November and asking for a declaration of war against Japan. At San Francisco in 1945 we agreed to place at the disposition of the Security Council a contingent of land, sea, and air forces that it could employ, without reference to Congress, to avert or suppress war. Shall we take more effective measures for the United Nations than for the United States? Shall we let one President, who had tied his own hands in a political speech, establish a precedent that will certainly give a future enemy an immense initial advantage? Shall we accept the dismal prophecies of scientists like Einstein and Oppenheimer, who know nothing of the science of war, that the hydrogen bomb will destroy us as well as our enemy and then give our "know-how" to the prospective enemy to placate him? Military members of our Joint Chiefs of Staff should reconsider their policy of attempted "retaliation" upon an enemy privileged to deliver the first blow. If they do not, some future historian will record how citizens of the United States, when the country was in the prime of life, misled by some scientists and deluded by their political and military leaders, committed national suicide.

The risk to the nation's existence, voluntarily accepted by President Roosevelt on December 6, 1941, increases with every improvement in weapons. In the opinion of Sir John Slessor and General Doolittle, very long-range bombers will soon be rendered obsolete by intercontinental or transoceanic guided missiles or rockets. V-2s sped across the Channel to London at five times the speed of sound; to obtain a range of 4,000 miles a speed of thirteen times the speed of sound is required. Sooner or later nuclear power plants will provide the power from uranium, possibly from one pound that only occupies 2½ cubic inches of space. When missiles of this range attain reasonable accuracy it would be fatal to await an enemy attack. Other nations besides the United States are striving to improve these weapons. It is not too soon for the United States Senate to resolve that never again shall American armed forces be ordered to allow an enemy the first blow.

PART IV — Avoiding Future Mistakes

DEFENSE IN AN ATOMIC AGE

THE MOST IMPORTANT improvement in weapons, since World War II, is the production of smaller "A" bombs, that formerly could only be delivered by very heavy, long-range, high-speed bombers. Today, "A" bombs can be delivered by carrier-based planes, by mobile heavy guns of the field army, by coast defense batteries, by guns on surface ships and, eventually, by torpedoes from submarines. Thus a weapon first employed to attack civilians and cities can now be used to defend them. The little brother of the "A" bomb that was hailed as the destroyer of all fleets can now be used to protect naval task forces, to assist fleets to control the sea, and to extend their power still further inland over continental land masses. Perhaps the most important effect of reducing the size of "A" bombs will be to divert them from attacks on civilians and cities to attacks on widely deployed enemy armed forces.

The same is true of the flying missile, Hitler's last secret weapon, designed especially to destroy London and break the will of the British to continue the war. It has been improved in the United States and will be employed in the defense of citizens, cities, and industrial areas against hostile air attacks. Simultaneously, improvement of radar and other electronic instruments has greatly increased the efficiency of all defensive weapons.

Radar was as necessary in the defense of England as fighter planes and flak. Little has been recorded of its vital importance in the Battle for Britain, but the whole world has been told that, by using radar, long-range bombers could attack cities through fogs, clouds, and darkness. Americans are reminded every morning that increased range, speed, and ceiling of airplanes have brought their cities and industrial areas within a one-way trip of Soviet planes that can launch "A" and "H" bombs. Little, if any, reference has been made to the increased capabilities of fighter planes, antiaircraft weapons, electronics, and radar.

A comparison of the claims made for new weapons prior to World War II and their subsequent performance during six years of combat will show that these new weapons fell far short of their predicted effect upon the morale and endurance of the Chinese, the Japanese, and the people of the European nations. The record will also show that every weapon so far invented can be used to protect as well as to menace noncombatants, their homes and property. Americans in particular can calmly consider their situation, decide upon a course of action, and not be frightened into hasty decisions. Undoubtedly, we are living in a critical era; but the world has always been a dangerous dwelling place and we are still masters of our fate.

It *is* imperative to strengthen the nation's defenses and to prepare the minds of Americans for the situations we are likely to encounter in a future war. The first step toward these two objectives is to consider the limitations as well as the powers of new and improved weapons; and the measures already taken by the government to protect its citizens and industry. Secretary Dulles has publicly recognized that the ultimate survival of the nation depends upon the armed forces. Since the first "A" bomb was exploded, all three branches have been studying methods of using the new weapons to defend ourselves and our allies as well as to attack the enemy.

The powers and limitations of weapons employed in World War II and the results they attained are already a matter of record; official statements by the Department of Defense of the improvements made in the United States and its estimate of those made by possible enemies are also available. Americans should appraise the limitations of new weapons and the defensive capabilities of these weapons and auxiliary instruments, before they accept the somber conclusion that their armed forces can destroy other nations but cannot protect their own territory and citizens.

DEFENSE AGAINST "CITY-BUSTERS"

Nuclear weapons have been used only on two cities, and thus there is little actual experience to guide us. It is definitely known that present "A" bombs are much more powerful than those used in Japan. The Nagasaki and Hiroshima bombs were approximately equivalent to 20,000 tons of TNT, that is, each was equivalent to several 1,000 airplane raids in the European war. Before the "A" bombs were dropped, the Yokohama-Tokyo area had been thoroughly devastated by block-busting explosives and incendiary bombs; more time was required, but the end result was the same. Present-day "A" bombs may have around five times the power of the first two bombs. The "H" bomb may have 50 to 200 times the power of the "A" bombs; that is, 5 to 20 million tons of TNT equivalent. They have been tested in the Pacific Ocean. According to President Eisenhower, the development of the "H" bomb has reached its useful limit. Bombs with greater power can be developed, but so much of their power would be dissipated upward that they would not be more efficient.

Nuclear bombs have reached the stage at which they can be considered as "city-busters" as compared to the TNT "block-busters" of World War II. *If* they can be delivered to the target, the results attained in World War II in destroying cities by large-scale and repeated air raids can now be equaled in one small raid. Against an opponent possessing neither an effective active military defense nor a comprehensive and well-organized civil defense organization, atomic weapons easily could be decisive; just as the first blitz air and tank attacks of World War II were decisive against the continental European armies and nations in 1939-40. But against a well-prepared, virile nation, the number of atomic bombs that can be delivered to their targets will be small; and the damage and loss of life, although enormous, will be minimized and bearable and should not cause the country to surrender. If the fate of Poland under Nazi and Communist occupation and of France and French prisoners after the French surrender is remembered, it will be evident to all that it is better to have many cities destroyed than to yield. It is better still to have adequate defenses that can inflict unbearable losses on attacking planes.

In June 1944, immediately after Eisenhower's landing in France, Hitler unveiled his last secret weapons and unleashed the V-1 on London. This small pilotless plane, resembling an aerial torpedo with wings, flew noisily at high speed on a determined course, unless its journey was interrupted, until its mechanism halted its flight at the target area. It then dove for the earth and its heavy load of explosive exploded on contact, with a terrific blast effect. When first exposed to this weapon, Londoners found them more nerve-racking than the old and familiar "blitz." For a time, at Churchill's request, the fastest fighting planes were withdrawn from Eisenhower's invasion force to intercept these aerial torpedoes. They proved to be harder on the nerves than on lives, the average bomb only killing one person. They were too inaccurate to interfere with the steady flow of supplies from the Southampton area to Normandy. During the last half of June, 2,000 V-1's were launched from the Calais area aimed at London; 660 of these were intercepted, barely 1,000 reaching the city. In a short time, Churchill told Eisenhower not to divert planes needed in the Normandy battle for the defense of London.

Germany's V-2, a free missile, was a huge rocket. It shot to a great altitude and fell at such a high speed that it could not be seen, heard, or intercepted before it struck. It carried an enormous explosive charge in its head that detonated on impact. When it fell in vacant ground it buried itself deeply; consequently its explosive effect was limited to the air immediately overhead. If it struck a building its demolition effect was instantaneous and obliterating. Traveling faster than its own sound, its noise resembled thunder; when you heard it you knew you had escaped. It did not cause the nervous strain of the V-1.

When General Eisenhower broke out of his Normandy bridgehead, the launching sites of the V-weapons were withdrawn to the Netherlands; and when the Allies occupied Antwerp, that city was in easy range. Almost 6,000 landed within eight miles of the center of the city but only about 300 fell within the limits of the port. One ship was sunk, sixteen damaged, one drydock placed out of commission for three weeks; 682 casualties were inflicted upon the armed forces while 3,470 civilians were killed. When the Allies occupied Holland, the V-bomb sites were abandoned.

The British obtained information that V-bombs were being designed in November 1939. Not until the spring of 1943 was the threat considered serious enough to bomb Peenemünde, the place of manufacture. Nearly 2,000 tons of explosives and incendiaries were dropped; 700 workers, mainly Allied prisoners of war, were killed. The factories of the V-bombs were dispersed, which added to British difficulties, but the damage done to original installations probably delayed the completion of bombs by three months. In the meanwhile, launching sites built by the Nazis were noted along the French coast from Calais to Cherbourg. During the fall and early winter of 1943 intermittent bombing attacks were made on launching sites. These were intensified late in November, and thereafter attacks on these sites caused a decided diversion of Anglo-American bombers from other enemy targets. The principal military advantage secured by Hitler's last secret weapon was the absorption by these launching sites of Anglo-American air blows that otherwise would have fallen on German cities and industries. On the other hand, if the time and labor required to construct the V-weapons had been utilized in constructing jet fighters, the Nazis might have wrested control of the air from the Allies.

While noting the comparative ineffectiveness of V-bombs, the inability of Anglo-American bombers to destroy or neutralize the launching sites just across the Channel from the air bases in England should not be overlooked. Both failures reveal a distinct limitation on offensive air strikes, and create considerable doubt about the wisdom of depending upon a fierce and instant retaliation, unless an extremely effective defensive system is provided. The *U. S. Official Air Forces History** states that it is apparent that the Germans had made their improvised modified launching sites impervious to conventional attacks by heavy bombers. The Germans could build new ones faster than they could be destroyed. The authors conclude that ". . . (Air) operations during the critical period were a failure." The record supports this conclusion; between June 12 and the first of September, 6,716 V-1's were plotted in flight, despite the magnitude of Allied efforts to neutralize the sites by offensive air action. The Royal Air Force had previously found it impossible to destroy the "concrete pens" built by Hitler at Brest to protect Nazi U-boats.

ROCKETS VS. PLANES

Since World War II, the army, navy, and air forces have all developed both free and guided rockets that are improvements on the V-weapons. The Nike, the army's guided missile, is reported to be very accurate. It is expected to be effective against planes flying faster than sound, with a ceiling higher than any known bomber can fly; and outranges by many miles any antiaircraft battery. Another army favorite is Honest John, a pre-aimed rocket that cannot be jammed or diverted from its course. For low level attacks, multiple-mount machine guns and very high-speed rockets will be used. For medium ranges, these are supplemented by the army's Skysweeper, a fully automatic antiaircraft gun effective against high-speed planes at medium altitude. World War II 90- and 120-millimeter guns equipped with necessary radar are also provided. Army chiefs are so pleased with the Nike, which is already in production, that they are equipping antiaircraft batteries with them. General Bradley, the former Chairman of the Joint Chiefs of Staff, made the wise recommendation of arming National Guard batteries with Nikes, and training their personnel to protect their own cities where their knowledge of local highways, railways, and traffic bottlenecks would add to their efficiency. Brigaded with Nikes would be Skysweepers and other antiaircraft batteries.

The navy has three, temporary, relatively inexpensive types of flying missiles that are modifications of World War II weapons, and these will be presently available if required. It also has high priority air defense missiles, Terrier 1 and Sparrow, that will soon be operational. The Regulus, a surface-to-surface guided missile, is in production and, according to General Bradley, can be launched from a submarine or surface ship; its range of a few hundred miles will add greatly to the navy's offensive power. Research is continuing on three other types of flying missiles. These missiles will be employed against planes attempting to attack naval task forces, American cities, and industrial areas.

General Bradley, in two articles in *The Saturday Evening Post*, gave a bird's-eye view of the defense system designed to protect Canada and the United States from enemy attacks: the United States and Canadian air forces already have in operation a radar chain of completely self-contained installations that will give about one hour's warnings. This is sufficient to ensure that some enemy planes will be shot down before they reach critical target areas. This radar chain will be reinforced by trained civilian observers at presently existing "gaps" and it will be extended into the Atlantic and Pacific by naval ships. The navy will provide specially equipped radar planes which will operate at sea to increase the range of discovery. Northern cities, such as Bangor, Portland, Boston, Cleveland, Chicago, Minneapolis, Seattle, Spokane and Portland, Oregon, will be able to save many lives with even five minutes' warning. And, equally necessary from a national point of view, industrial plants will suffer less damage.

An arctic picket line would be disrupted at times by aurora borealis, and telephone lines are difficult to maintain in Canadian tundra. But with the "H"-bomb menace now present, an arctic picket line is being established. Around vital target areas, such as Chicago, squadrons of interceptors and Nike batteries are already on guard, while naval units operating along Atlantic or Pacific coasts will use both radar and interceptor planes to extend the defensive line through which hostile planes must fly.

Defensive measures in the United States have lagged. But today they are fairly effective and can be steadily improved. Naturally, this can be so with the defenses of other nations. Air defenses around Moscow were more effective than those around London in the summer of 1941, according to Harry Hopkins who visited both cities during that season. Stalin, with a Chief of Staff and a few aides, directed three huge armies from the Kremlin when Moscow was partly encircled by Nazi troops and in easy range of their bombers. The late General Hoyt S. Vandenberg, former Chief of the Air Force, in his last appearance before a House Sub-Committee on Appropriations, made the following significant comments on air force weapons. For offensive use, the intercontinental bomber, B-36, a combination propeller and jet-driven plane presently in use, is considered too slow; it cannot be refueled in the air but can be at bases in Alaska, Okinawa, and Greenland. The present ideal of the air force is a fleet of intercontinental supersonic planes capable of delivering "A" or "H" bombs to any targets in the world from bases within the United States. The B-52, just emerging from experimental status, is a huge all-jet intercontinental high-speed bomber that can be refueled in the air.

There can be no doubt of the value to the United States of such an airfleet as visualized by the air force; its cost would be immense, but it would free the nation from relying on overseas air bases in countries that in time of war might prefer to remain neutral or be overrun by an enemy, as were Poland

*Vol. 3, p. 540.

and France. Supplemented by carrier-based planes, it would be the most powerful offensive and defensive force in the world. Heavy, very long-range bombers will always be expensive and few in number. Even heavy bombers can operate more effectively the nearer their bases are to their targets. The more numerous and less expensive medium bombers, B-29, B-50, and B-47, can reach Russian targets from bases in Alaska, Japan, Okinawa, England, and North Africa. These overseas bases make possible the employment of medium bombers to supplement the heavy bombers that operate at very high speeds and high altitudes.

Both the British and American heavy bombers discovered during World War II that they could not accept the heavy losses inflicted by flak and fighter planes on unescorted squadrons of bombers. If Soviet defenses inflict unacceptable losses on our heavy bombers, again they will have to be escorted by fighters.

* * *

Between February 4 and October 31, 1943, the over-all loss of the United States 8th Air Force doing day bombing was 4.4 per cent; during the same period British night bomber losses were 3.9 per cent. General Spaatz suspended American attacks deep into Germany in October. The British continued night attacks until February 1944, when their over-all losses reached 7.7 per cent due to improvement in Nazi night-fighter tactics. Air Marshal Harris then suspended night attacks and completely revised his attack tactics. General Arnold, Chief of Army Air Force, did not realize the effectiveness of German defenses because, just as the 8th Air Force returned from its defeat over Schweinfurt, he cabled General Baker that "evidence in Washington indicated that the German Air Force was on the verge of collapse"!

FIGHTERS VS. BOMBERS

Both bombers and fighters have been greatly improved since 1943, but airplanes designed primarily for fighting will always have a great advantage over the heavily loaded and less maneuverable bomber, particularly toward the end of an intercontinental flight as they near the targets, where fighters, stacked overhead, and radar-controlled antiaircraft batteries await them. Both British and American bombers found by sad experience that unescorted bombers were in the words of Air Marshal Harris "dead ducks" for fighters. Today bombers and fighters fly at supersonic speed, use instruments to aim and fire at targets that they pass so quickly they never see. But elementally one is still a fighter and the other a bomber; and fighters can usually shoot down bombers. Even when escorted by fighters, bombers may not be able to get through in sufficient numbers to justify their losses. In a conversation with Secretary Forrestal in July 1948, General Vandenberg said that it was very difficult to predict what weapons would become obsolete within five years, that development in the field of antiaircraft weapons "might make the heavy bomber as obsolete as the battleship." In 1954 the subchairman of the Atomic Energy Committee of Congress reported that developments in electronic devices would soon enable defense forces to protect cities and strategic areas from planes carrying nuclear weapons. Vandenberg's prediction may be confirmed.

Moreover, in discussing the problem of defending the United States from enemy bombers, General Vandenberg pointed out that it would be unnecessary to shoot down every enemy plane. He doubted if any enemy air force could sustain 25 per cent of losses and continue an effective air bombardment. In light of the experience of the German attacks on England in 1940-41, and the Anglo-American attacks on Germany in 1943, this estimate is probably correct. In short, the first four or five intercontinental strikes will be by far the heaviest. If these attacks are pushed home, bomber losses will be enormous; more important, the "first team" of bombardiers will be badly depleted, and a longer time will be required to train another first team than for the factories to replace the bombers.

Probably no nation had a better "first team" of naval aviators in 1942 than Japan, whose rapid conquests in the western Pacific and Indian oceans were due primarily to mobile groups of land-based naval planes plus a striking force of eight heavy carriers with trained fighters, torpedo, and dive bombers. These skillful aviation teams were disrupted in the battle of Midway in June 1942, and, despite persistent efforts of the Japanese navy to replace their "carrier pilots," they never succeeded. Under the direction of the present Chairman of the Joint Chiefs of Staff, Admiral A.W. Radford, then in the Naval Bureau of Aeronautics, our carrier pilot replacement system furnished trained pilots to each carrier as it was completed, although in the first five months of the war our carrier losses exceeded the Japanese. Again, in the very last phase of the war, Japanese suicide attacks placed a critical strain on our pilot replacement program, but Radford's system met the test. After the war, Admiral Nagano, Chief of the Naval General Staff, attributed the rapid collapse of the navy after its early victories to its inability to replace its "first team" of naval aviators.

Since World War II, the limited war in Korea, where Communist air forces *did not attack our bases in Japan* and our forces refrained from attacking Communist bases in Manchuria, has defined more distinctly the powers and limitations of aircraft. Enemy antiaircraft batteries in Korea, known to airmen as "flak," made it unprofitable for American B-26s to venture very far by day. After October 1950, four months after the war began, 4/5, 80 per cent, of more than 53,000 sorties of B-26s were made at night, presumably on account of losses that enemy flak and a few fighters inflicted during day attacks. Bomber losses received during night attacks were light; but so was the damage they inflicted, although crews flew regularly over the same routes. According to Captain G. F. Wolfe, one of the most successful United States pilots in Korea, to new crews a convoy of trucks appeared an easy target as they turned on lights to pick their way along the pock-marked roads at night. But by the time B-26s were in the groove to attack, the lights were off and the convoy pulled off the road in complete darkness. Then, there was apt to be a will-of-the-wisp string of lights along a cliff into which unwary bombers might crash.

In spite of bomber attacks, to the very end of the war North Korean trains still ran on schedule from their sanctuary in Manchuria, and bombers still found it very difficult to hit a fast moving train. Even when trains were derailed and track cut in two or more places, on the very next night trains would be running on schedule.

Douhet, one of the prophets of air power, and his followers predicted that air power would win World War II before the ground troops in Europe could mobilize. The war lasted six years and was essentially a war of attrition. Young air officers, skillful, courageous, and justly proud of their intercontinental bombers, are sincerely convinced that strategic air power could win World War III. General Vandenberg was equally convinced "that the first 6 or 8 days will be decisive." Gallant young airmen are unquestionably overestimating their weapons. Their conviction should not be shaken; without confidence in their planes and bombs they would not operate them fearlessly. Their leaders should certainly be the last to impair this faith; but in planning they should give due weight to previous experience. The first six or eight days probably will not be decisive of the war; but properly utilized they will give one side or the other a tremendous advantage, the effect of which would be cumulative and might decide the war at a later date.

THE DEFENSE PICTURE TODAY

The change inaugurated by President Eisenhower looks forward to a sturdy military posture to be maintained over an extended period of time, with emphasis on modern national air power. In this are included the aviation of the air force, of the navy and marine corps, and the aircraft industry and civilian air transport system. All branches of the service realize that air power is a primary requirement on the offense, defense and in support of land and sea forces. The other arms are not to be neglected for each has a vital role to perform. The aim is to increase the effectiveness of army, navy, and marine corps with better equipment, new weapons, and a reserve component more quickly available for service.

The government's policy is that any proposal for disarmament cannot be limited to atomic weapons; naturally, countries with huge populations whose ground troops are easily provided would like to abolish all nuclear weapons, while we base our strategy on the assumption that nuclear weapons give us a great capacity to counter instantly by means and at places of our own choosing. But the United States is not depending entirely upon air power and nuclear weapons. We will maintain the world's largest navy and an army of over a million men. While we believe that Soviet Russia does not desire an open war now, the Kremlin is maintaining armed forces greatly exceeding those needed for her own defense and they might inadvertently precipitate a shooting war. The present tension may continue for years, according to Admiral Radford, but we must keep ready, for "it would not be possible for the United States to initiate a war." We must provide armed forces sufficient for the security of our country and so organized that they complement those of our prospective allies. We must do this over a period of years without unduly straining our national economy. With this background, the Joint Chiefs of Staff have recommended land, sea, and air forces that in their judgment will give the nation a reasonable degree of security and that can be maintained indefinitely at that level with continuous qualitative improvement without jeopardizing our economic structure.

THE DANGER OF "AMATEUR STRATEGISTS"

Practically every international problem that arises in peace or war involves political, military, and economic consequences. For example, with few exceptions all naval operations to suppress enemy and protect our own sea-borne trade involve the rights of neutrals. These questions cannot be separated into components involving only military, only economic, or only political factors, each in its own compartment. However, during World War II, the Joint Chiefs of Staff refused to consider the consequences of State Department policy toward neutral states on the ground that only economic and political factors were involved. They persisted in this untenable attitude, although one of the principal purposes of controlling the sea is to put economic pressure on enemy states. During World War II our Joint Chiefs of Staff were so occupied directing triphibious campaigns and so accustomed to saying "Aye, aye, Sir!" to the State Department that they failed to give enough attention to the navy's responsibility to suppress enemy trade.

Before and after the United States entered World War II, Chiefs of Naval Operations disavowed interest in political decisions on the assumption that these were the sole prerogative of the State Department. This narrow concept of their sphere of responsibility is not in accord with the principle, long accepted by civilized states, that war is the means of obtaining national objectives by force when peaceful methods fail. This voluntary isolation of the Joint Chiefs of Staff from consideration of the effect of political decisions in causing war or on its conduct, also is directly contrary to the advice given to President Theodore Roosevelt by Mahan. He urged the President to appoint as head of the army and navy only officers who understood foreign policy and were competent to advise the President of the reciprocal effects of American national policies and the strength of the armed forces on each other.

It is necessary for the Joint Chiefs of Staff to take cognizance of the political consequences of their recommendations to the President; it is equally incumbent on the Secretary of State to take cognizance of the military consequences of his recommendations to the President. Political and military consequences cannot be separated in their joint effort to achieve victory in war and then maintain peace. During hostilities the Chiefs of Staff should make their military decisions while keeping the military factors solely in mind, because in war military factors are decisive in most instances. If the State Department advises the President against their plans for political reasons, the Chiefs of Staff should consider carefully whether the military advantages outweigh the political disadvantages. If not, they should change their plans; if so, they should adhere to their decisions and take the problem to the President for final judgment.

If the Joint Chiefs of Staff act otherwise, they abdicate in favor of some amateur strategist in the Cabinet, who may overrule carefully conceived military plans. This is not an imaginary danger: Lloyd George and Winston Churchill overruled Field Marshal Robertson and Admiral Fisher, and Briand overruled Joffre in World War I. The political consequences of a victory at the Dardanelles would have been very great, but sufficient forces could not be provided without endangering the western front. The inevitable defeat was a great political advantage for Germany. This experience did not prevent Lloyd George and Briand from diverting troops from the western front to win a useless victory in Palestine. The contempt of British and French civil authorities for military advice resulted in enormous, unnecessary waste of life and money in four minor theaters during World War I, the Dardanelles, Mesopotamia, Palestine, and Salonika.

In World War II, Churchill never ceased suggesting diversionary attacks even when the Combined Chiefs of Staff opposed his ideas. After General Eisenhower had landed in Normandy, Churchill continued to urge the diversion of Army Corps earmarked for landing in southern France for a campaign to take Vienna. He pictured "a bloody prospect for the forces attacking from the south (of France)," but said nothing about the heavier losses that crossing the Alps would have caused. The General felt that the Prime Minister was really concerned with postwar political consequences. His reply to Churchill should be remembered by officers who may find themselves in a similar situation. He told Churchill that "strategy can be affected by political considerations, and if the President and he (Churchill) should decide that it was worth while to prolong the war, thereby increasing its cost in men and money, in order to secure the political objectives they deemed necessary, then he would instantly and loyally adjust his plans."*

Some commentators on the war have supported Churchill's views because of the subsequent occupation of the Balkans by Red forces. Stalin could have been denied the Balkans more safely by simply reducing or stopping the flow of supplies to him in the late autumn of 1943 when his armies had driven the Germans almost out of Russia. The unfounded

*_Crusade in Europe_, by Dwight D. Eisenhower, Doubleday, p. 284.

fear that he would make a separate peace with Hitler prevented Anglo-American action which would have been justified by the needs of American forces fighting Japan in the Pacific.

If Churchill's plan to wage a campaign for the Balkans in 1944 had been accepted, it might easily have had disastrous consequences to his own country. The V-bombs, Hitler's last secret weapon, were not under control until after Holland had been recovered late in 1944. They were falling on London until Eisenhower's army had overrun their sites in France. Had this advance been delayed, the effect on the expeditionary force certainly would have been serious, and might have been fatal. In his book, *Crusade in Europe*, Eisenhower records that the depressing effect of the bombs was not confined to the civilian population. Soldiers at the front began to worry about friends and loved ones at home; he then conjectured that if the Germans had begun using V-bombs six months earlier, the invasion of Normandy "might have been written off." Yet from the very beginning of the plan for invading France, Churchill had done his utmost to postpone it by dilating upon its dangers and suggesting alternative methods of winning the war.

THE AMERICAN SYSTEM

The Constitution of the United States provides a ready means of giving proper weight to political and military factors in determining national strategy. An interdepartmental committee with representatives of the State, Defense, Army, Navy, and Air Departments with representatives at each lower echelon from the Secretaries down, vested with authority to express the views of their Secretaries in the continuous exchange of information and discussion of plans, could either reach agreements, or fix precisely the areas of disagreement, that could be passed to higher authority for action in case of agreement, and for a decision in case of disagreement. The path of authority and responsibility in the Executive Branch is plainly marked: it can function efficiently if properly officered. Similar complex problems involving widely different factors are daily solved in American corporations; they need not baffle the civil and military components of the United States High Command. Interdepartmental committees were found necessary and organized during World War II. The top and second echelon staffs of such a structure already exist in the National Security Council and its staff. There is still need for subordinate staffs in the lower echelons. Space for the Secretaries of Defense and State and the Chairman of the Joint Chiefs of Staff could be provided in the former State, War and Navy Building adjacent to the White House where the highest echelon of the United States High Command would be readily available and would have easy access to the Commander-in-Chief of the Armed Forces in peace and in war.

The American Constitution centers the diplomacy and conduct of war in the Presidency. No better system can be devised; but it makes exceedingly great demands upon the man in the White House, particularly in the critical period preceding hostilities and toward the end of the war when the terms of peace should be determined and means provided to enforce them. When hostilities are fully joined, the President's primary purpose should be to maintain the morale of the people, provide the means for victory, support competent leaders against unjust criticism, and replace the incompetent.

The United States was involved in World War I, World War II, and the present cold war, primarily by the failure of civil officials, particularly Presidents and Secretaries of State, to consider the military factors that enter into every problem of foreign relations. Failure of the civilian officials to give proper consideration to the military factors that enter into these problems stems from the undue subordination of the military to the civil officials in the government of the United States. This undue subordination is caused by our ancient fear that American liberties would be subverted by huge standing armies. To avoid a remote danger, Americans have incurred an ever-present peril of becoming involved in unnecessary wars or being plunged unprepared into unavoidable wars with foreign nations.

Liberties of some nations have been crushed by standing armies; other nations have been destroyed by failing to prepare their armed forces in time of peace. The framers of the Constitution provided against both dangers. To guard against a domestic despot, the Constitution provided that only Congress can declare war; only Congress can provide and maintain a navy; only Congress can raise and support armies, and then only for a period of two years. This time limitation was not placed on the navy, for it was manifestly more difficult for sailors embarked on ships to overthrow the government than for troops in barracks ashore.

The framers of the Constitution were familiar with war; most of them had witnessed two global wars, the Seven Years' War and our Revolutionary War. They knew from their own experience that a Congress, composed of many members, could not conduct our foreign relations in peace or direct military operations in war. So, having given Congress the authority to declare war and to provide for the armed forces, they made the President Commander-in-Chief of the Army and Navy. To further safeguard their liberties, they divided between the President and the Senate the power to negotiate treaties, which outline our foreign policies and become the supreme law of the land.

The framework of our government is the best ever devised to protect citizens from potential domestic despots and foreign aggressors, provided that there exists a correct and sympathetic understanding between American civil and military officials. But if either branch ignores or dominates the other, our institutions will be threatened from without or within.

Our nation is over 175 years old. Only once in that time did the specter of a military dictator appear. President Lincoln dissipated this phantom in one biting sentence by reminding the ambitious Commander, General Hooker, that only successful generals became dictators. In other nations, military dictators have been triumphant. It is necessary for us to be on guard, particularly if we are to maintain huge regular armies indefinitely. But we should not involve the nation in the peril that will inevitably follow if the conduct of diplomacy and war is left entirely to civilian officials who ignore their legally constituted military advisers.

As previously stated, this lack of understanding between military and civil officials exists in many other countries. It invariably results in the undue subordination of either the civil or military branch. In Germany and Japan, the civil authorities have been controlled by the military; in England, France, and the United States, the military have been dominated and usually ignored by the civil branch. Unfortunate and sometimes disastrous consequences have resulted when either branch is dominant.

The present undue subordination of American military officers is not due to the American Constitution. The action of the framers of the Constitution in making the President Commander-in-Chief of the Army and Navy and responsible for the day-to-day conduct of foreign relations was sound. They knew that General George Washington would be the first President if the Union was established. The organization is just as efficient today provided a President, who enters the White House with no military experience, is guided by the Chiefs of the Armed Forces that he selects and appoints in accordance with laws passed by Congress, and thus gives proper consideration to the military factors that enter into every problem of foreign relations.

A WARNING THAT MEANS PEACE

BY DAVID LAWRENCE

THE CONGRESS OF THE UNITED STATES was given last week the opportunity to tell the whole world that the American people will fight, if they must, to defend their frontiers. In this air age, these frontiers now extend to bases far overseas.

The leadership of President Eisenhower in the crisis has been in accord with the finest tradition of America. What he has done is to ask Congress to share with him the responsibility for notifying the Communist world that there are limits beyond which we will not permit hostile forces to penetrate.

Just as the late President Roosevelt once defined those limits in Europe when he said "our frontiers are on the Rhine," so today, with jet planes flying more than 600 miles an hour, another President of the United States has said, in effect, that our frontiers in the Western Pacific are close to the mainland of China.

The response of both houses of Congress, irrespective of party, has been magnificent. It's true there are those, here and abroad, who have not been able to see the forest for the trees. They still quibble about whether we should defend this or that island a few miles off the coast of China, or limit the President's authority to the shores of Formosa itself, which is 120 miles from the mainland—just a few minutes by plane. Have they forgotten that our surrender at Bataan was forced because Japanese planes were based on Formosa?

It is unrealistic to say that authority should be granted to the President to protect Formosa itself, but that bases close to the mainland of China must not be attacked if enemy planes emerge from there to bomb our aircraft carriers as they cruise in waters near Formosa. Nor is the situation met by the argument that the President already has the inherent power to issue any orders he pleases if our vessels are attacked. Shall we, in a republic, ignore the people's legislature and rely on one-man decisions, in disregard of the Constitution? Surely any plan to use the armed forces in an area vital to its interests would not be withheld from submission to the House of Commons by a British Prime Minister or to the National Assembly by a French Premier.

Nor can a decision like this be left to a strategy improvised on the spur of the moment. It must be proclaimed in advance and in terms that are explicit, so that the Communists will not have any basis for doubt as to what America will do if her ships or planes are attacked while defending Formosa.

It is regrettable to note that some Senators expressed a desire to restrict the President's authority because of fear of a larger war. This is the same old enervating philosophy of defeatism which has encouraged the enemy to think we are committed indefinitely to a supine pacifism.

The *London Daily Mail* last week boldly declared that had a warning, such as the joint resolution by Congress now gives, been expressed by leaders of the democracies prior to 1914 and 1939, two world wars might have been averted.

We must not make again the mistake we made in Korea. More than 40,000 boys were killed and 110,000 were wounded there when, at the behest of our timid allies, we told General MacArthur he could not pursue enemy planes to their bases in Manchuria.

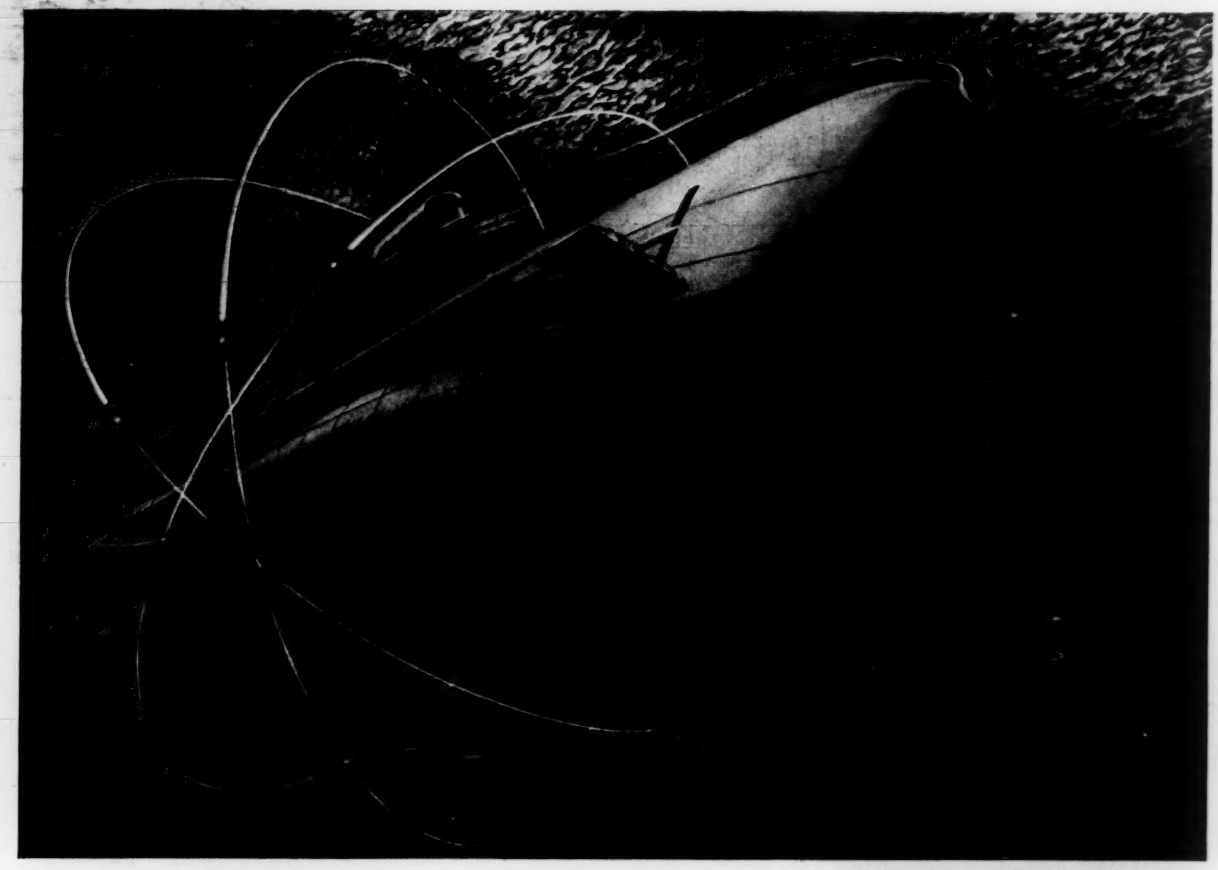
It is to the everlasting credit of the grand old man from Georgia, Senator Walter George, Democrat, Chairman of the Senate Foreign Relations Committee, that he told his Democratic colleagues this is no partisan issue and that the defense of the United States requires the President to have unrestricted authority to use our armed forces to defend the "vital interests of the United States," as the President himself phrased it.

But what are those "vital interests"? We have American troops stationed in Korea. A Red Chinese Army of 1,000,000 men is poised in the North, ready to swoop down at any time they are reinforced. Adequate armies of the U. N. now stand guard.

But opposite Formosa on the mainland is another Red Chinese Army of at least 3,000,000 men. They are pinned down there by the presence of 600,000 troops of the Nationalist Government on Formosa and by the U. S. Navy and Air Force based on Formosa.

Not many miles away are the Philippines. If Formosa is conquered, the Philippines can be conquered through the air, or the Red Chinese armies can be released for transfer to Korea, where a military victory would affect adversely the psychology of the Japanese and give Communist infiltration its biggest boost. All Asia would then be lost, including the Southeast, where rich resources are a big prize for the potential armament of our Communist enemies.

America's decision to defend the Western Pacific brings a timely warning. The Joint Resolution does not mean war. It will avert such a catastrophe and pave the way to peace. It is the most fateful step taken since the close of World War II to reaffirm American purpose. It manifests again an unflinching courage and an imperishable faith in the strength—physical and moral—that only free men can mobilize.



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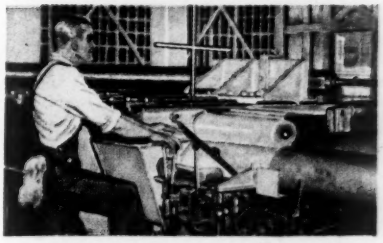
A snorkel intake tube being machined to very precise tolerances on one of the large lathes in the Groton plant.



Hydraulic bender shapes section of 8-in. steel pipe in two minutes. This operation formerly took a full day.

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